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ALIA'S VIEWS ON LINKS TO MASSES STRESSED

Tirana BASHKIMI in Albanian 8 Jul 87 p 2

[Article by Guro Zeneli: "Always with the Rhythm, the Vigor, the Will and the Desires of the People: Studying Comrade Ramiz Alia's Book, 'Fjalime e Biseda - 1986' (Speeches and Discussions - 1986)"]

[Text] There exists everywhere in the country a healthy moral and political situation, a steel-like unity, a strong organic connection between the party and the people. The workers and the villagers and the children of these two friendly classes, the people's intellectuals, are closely linked. Our people are close to each other in cities and villages, in social and family festivities and celebrations, in troubles and difficulties. Social relations have been greatly strengthened. A socialist psychology has been formed. A norm has been created, consisting of the moral principle: one for all and all for one. This internal link with the masses has been the basis of our ever increasing successes: the great strides of socialist industrialization, the revolutionary transformations of the village, the growth in well-being of the people, education, culture, science - all areas. The wonderful health that our Albania enjoys today is dedicated, in the first place, to the correct Marxist-Leninist line of our party, to the teachings of Comrade Enver Hoxha; it is dedicated to the path on which we proceed, to our continuity.

The principle of the line of the masses, the connection with this, appears clearly once again in Comrade Ramiz Alia's new book, "Fjalime e Biseda - 1986". In this volume there is affirmation of the great socialist reality achieved in the epoch of the party, and the necessity of further strengthening links with the masses is set forth. This link, this internal unity has been manifested with special force at all the most difficult historic moments in the life of our country. This was apparent at the time of the great loss of Comrade Enver Hoxha, when our people turned their pain into strength; it was apparent in the mobilization of people in work to greet the 9th party congress with new victories; it is apparent today as well, when the working masses have set to work in order to implement the historic decisions of this congress and to greet the 10th congress of the BPSH [Albanian Trade Unions] with successes in all sectors.

In studying this book, the workers and cooperativists, as well as all cadres, find teachings of great value for the constant strengthening of the unity and

the links between the party and the people. We base everything on the collective, the masses, the people, emphasizes Comrade Ramiz Alia. He instructs us to shun any official attitudes and to draw close to the masses, to the people of production, to the workers and the cooperativists, to all of our people. The cadres learn much from these links. The initiatives on the part of the cooperativists to increase flocks in every brigade and to supply the village by themselves with animal products, with beans, potatoes, vegetables, etc. are concrete expressions of these links. Good examples of this are found in Lushnje, Fier and Permet districts, where supplies to the village of fresh milk from the flocks has been achieved. Dozens and hundreds of positive examples of this are found in economic enterprises and agricultural cooperatives in our institutions, where planned tasks are fulfilled and over-fulfilled. Examples also include the initiatives of communists and cadres who work in the olive industry, and the initiatives of those workers who participate actively in the great action for drinking-water or in other actions in industry and agriculture, where links with the working masses are strengthened and improved. The visits, meetings and discussions of Comrade Ramiz Alia, which are given to us in this volume, with workers and cooperativists, with workers at the grassroots, in workshops and sectors, in the smallest units of production, in brigades and even in families, with large and small groups of people, are a great example for all of our cadres.

The book reads easily. One is inspired by the warm atmosphere that our leader creates in his conversations with ordinary people, and one is carried away by his candid discussions with the people. His words warm the heart and his thought guides our life. After you have read it once, you want to read it again with a pencil in hand. Your energy increases and you are set in motion, your animation and optimism grow. The benefit is great and the conclusion is clear: if our leader finds the time for all these warm meetings and conversations (in the course of one day alone, 5 April 1986, he had four meetings in Kruje District), then what must the other cadres do? If his links with the people are so cordial, then what must their links be like? If our leader listens with such attention and interest to the ideas of ordinary people, of workers and cooperativists, of our mothers and sisters, then how must the other cadres conduct their relations with the workers and with each other? "...After every contact I have with the people," said Comrade Ramiz at a meeting with the chief cadres of Elbasan District, "not only do I not feel tired, but my strength is renewed." He instructs that we must take strength from the people, we must learn from and be inspired by their ideas and philosophy, their realism and marvelous optimism, the remarkable qualities that characterize them. When you speak with the people, you gain their logic and their fresh ideas, their self-possession and their wisdom, the truthfulness of life that the people, as the author emphasizes, who are always realistic about life, express in strong dialectic logic.

This volume clearly reveals the unlimited love and respect on the part of our leader for the people and the love on the part of the people for the party and the work of Comrade Enver. "The love of the people for the party," emphasizes Comrade Ramiz, "is not something that is constructed artificially, but it is love of life, it is love for that which our people have achieved under the leadership of the party, for those majestic realities which have been

accomplished in our country during these forty years under the leadership of the party, with our unforgotten comrade, Enver Hoxha, at its head."

Links with the masses constitute a key problem for our continuity on Enver's path. The strengthening of links with the masses is required by the situations in which we live, the events of building socialism in Albania, the fulfillment of the 8th five-year plan, the implementation of the historic resolutions of the 9th party congress. For that reason, it is necessary that these links should be as strong and as correct as possible, that they should be social links which are warm and effective. In empathizing with the masses and in learning from them, one's conscientiousness is revolutionized, along with one's method and style of work, initiative increases, tasks are accomplished, and work proceeds better. Such ideas are clearly revealed in the conditions of meetings which occurred and which are given to us in this volume, in Mirdite, Kruje, Elbasan and Gramsh districts and elsewhere. The key to success in work in the economy, emphasizes Comrade Ramiz, consists in uniting the readiness of the masses, the revolutionary vigor of the workers, with an active organization. This is accomplished well by the cadre who works and lives with the masses.

We need to make positive changes every day to the advantage of social progress. This development imposes a special strengthening of links with the masses on the part of cadres of the government and the economy. The better you know the masses and the better your links are with them, the more your trust in them will grow and the better will be combatted the tendency of some cadres of the government and the economy or of some specialists to have everything centralized in their hands, a tendency which, in fact, harms work. In this way, as well, there will be a better struggle against the tendencies of some other cadres who attempt to create living conditions and "conveniences" beyond the criteria and the real possibilities that we possess. In strengthening links with the masses, we will combat more strongly procrastination in work, the slowness of some cadres in accomplishing daily and weekly tasks, lack of responsibility and manifestations of bureaucracy, liberalism, opportunism and indifference, all of which attempt to hinder us in our progress.

Links with the masses are of service in fulfilling the plan, in strengthening unity and defending the country, but also in revolutionizing the cadres. When a dedicated cadre observes closely how the workers and peasants work on the most difficult fronts, in the mines and the combines, on the construction of great agricultural and animal husbandry projects, in the freezing winter and in intense heat, he concludes by mobilizing himself in the accomplishment of tasks and his revolutionary spirit in work increases. Comrade Ramiz points out in this volume that for the revolutionary, there is no pause, there is no rest, his life is an uninterrupted struggle for ideals, for socialism, for the interests of the people, for the flowering of the fatherland.

The policy of the party is realized by the work of our people--in enterprises, in agricultural cooperatives, wherever there is production and construction, wherever there is work and education, wherever our new man is tempered. For that reason, it is necessary that the cadres should apply themselves more and, together with the masses, launch themselves into concrete action and revolutionary activities. In this way, they will have a deeper knowledge of

present-day reality, they will think more about the future, and they will set their creative thought more into motion. Our practice confirms that wherever these links are strong, our people in cities and villages manifest daily unprecedented strength of unity around the party, trust in the future, readiness for work and defense, and a launching of themselves into revolutionary action. The volume closes with the instructions: "Let us live always with the rhythm, the energy, the will and the desires of the people."

The ideas that Comrade Ramiz Alia emphasizes in this volume comprise guidance and a work program for the organs of the party and government, and for all cadres in all areas. In studying and assimilating the ideas of this volume, links with the masses will be strengthened and the cadres will build and preserve more correct relations with the workers, and thus--under the leadership of the party--there will be fulfillment and overfulfillment of the plans, and there will be better implementation of the decisions made by the 9th congress and the tasks of recent plenums of the party Central Committee.

12249/12859

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PARTY CONTROL OVER ARMY STRESSED BY MUSTAQI

Tirana ZERI I POPULLIT in Albanian 7 Jun 87 p 2

[Article by Kico Mustaqi, candidate member of the Politburo of the Central Committee of the Albanian Workers Party and Chief of the General Staff of the Army: "The Party Has Been and Is In Command of the Army: Studying Volume 53 of Comrade Enver Hoxha's Works"]

[Text] The materials included in Volume 53 in the series of Comrade Enver Hoxha's works are part of the rich treasure he left us, and they reflect one of the most intensive and revolutionary activities of the party and its glorious and unforgettable leader for the protection and the strengthening of our People's Army.

The party has always ensured that the Army is pure, that it always and without hesitation implements the Marxist-Leninist line, that life in the Army is revolutionized without interruption and its democratic nature is further developed. The party and Comrade Enver have seen to it that the Army always abides by the party's military line and by the principles and demands of our People's Military Art, implemented under the specific political and ideological conditions surrounding our country, and in this respect has never made any concessions because any "slipping" regarding problems of tactics and our military strategy adversely affects our country's security by permitting the enemy to operate not only in the military sector but also in the political and ideological sectors. We find this great concern of our party embodied also in the very important theoretical and practical materials included in this volume, in the author's deep and general scientific Marxist-Leninist analyses of the situation, in the conclusions and valuable teachings which he offers for the party organs in the army, for the commands, communists and cadres; for all the troops in our military system and for all the armed people.

"The party leadership," Comrade Ramiz Alia emphasized at the 9th party Congress, "was and remains the main factor for the preservation of the people's character of the Army, and for its strengthening and modernization. The party committees and organizations must work even better for the political and ideological education of the personnel, for the preservation and

development of the traditions of the National Liberation Army, to strengthen the political and moral characteristics of military men, and to strengthen relations between cadres and soldiers, between the people and the military."

The party in command of the Army. This has been, is, and always will be the consistent line for the entire party, our people and the military.

The enemies aimed and tried to seriously harm the party's work in the army, to destroy everything which the party had worked so hard to build. But they could not achieve the objective they had set for themselves precisely because of our party's consistent Marxist-Leninist line. Although they used shrewd methods and tactics, still they could not hide their activity for too long. The credit for this belongs to the party and its leader, their vigilance and farsightedness, and to their consistent Marxist-Leninist, revolutionary line.

Through an extensive analysis of the facts, detailed and convincing deductions and by adopting the dialectic method of analyzing developments, the evidence, and acknowledgments and denials, Comrade Enver concluded that the hostile activity in the military was not that simple and limited to some military materials nor the activity of one, two or three persons at the head of the Army, but that it was widespread and was part of a great and complicated political, ideological, organizational and military plan that the plotters, inspired by foreign enemies, tried to implement. This correct conclusion led Comrade Enver to issue his justified call to the military, the cadres and soldiers, and to communists and the youth to rise up and through heated and revolutionary debates unmask hostile activity and eliminate the enemies. Everything was subjected to a mass judgement at the party grassroots, at headquarters and staff, but also in the ranks of the personnel. This mass discussion led to the discovery of the real aims, direction, tactics and strategy, forms and participants in the plotting group. The conclusions of this mass judgement were analyzed at the sixth plenum of the Central Committee of the Albanian Workers Party, in December 1984.

The enemies attempted to harm the party's Marxist-Leninist line in the Army and to eliminate its leading role in the military, to weaken and destroy the Army and our country's defense. They had worked for a long time to carry out their hostile, anti-national and capitulating theory of "slipping" and "withdrawal to the mountains," which would have led to full capitulation as a nation. By forcefully rejecting this theory, Comrade Enver intensely defends and develops the revolutionary military tactic and strategy, according to which the fatherland must be protected by all means, on all borders, and against the enemies. In this Volume, Comrade Enver emphasizes the need to draw lessons for the party's work in the Army, to defend its correct line, and to strengthen the party's leading role in the Army. "In the Army," he emphasizes, "the party plays the leading role through its grassroots organizations, its political bureaus and committees," and advises that these party organs hold leading positions in military units and sub-units.

These party teachings and direct instructions of the dear teacher have been incorporated in the leading activity of party organs and organizations in the Army. These teachings greatly help party organizations in the Army. These

teachings greatly help party organizations in the military to continuously improve their activity, to improve their operational and executive skills, and strengthen their leading role. In order for the party to play its true leading role everywhere, including the commands, daily life necessitates many demands which are closely linked with one another. Grassroot organs and organizations in the military should make great efforts to better understand and meet these demands. Above everything else it is important to pay attention to those efforts needed to imbue communists and cadres with correct attitudes, a necessary condition for the effectiveness and strength of party organizations.

"In the military," Comrade Ramiz Alia said in July last year at a meeting with military cadres in Durrës, "educational work with communists, military cadres, and all the troops of the Armed Forces must be improved so that they may be better imbued with the highest political and moral attributes that characterized our legendary partisans and that are so necessary in the current situation facing our People's Army." These attributes of communists and cadres have made the party organization in the Army more and more active, putting greater demands on itself and on communists, irrespective of the posts they hold, so that the goals and objectives are met on time and in the best possible way. And when the party grassroots organization takes such a stand, its ranks cannot be affected by hierarchy and domination it struggles and does not permit such dangerous attitudes to affect the Army.

The party exercises its commanding role not through orders but through stable convictions which are created through direct and close links that the communists and cadres establish with the masses, soldiers, the youth organization in the Army and other mass organizations, in the enterprises and cooperatives, in institutions and schools, and wherever our citizen is a soldier. In this respect there is room for improving the work with the masses but it is also known that the masses follow when they see in a commander, commissar or in an ordinary officer the example of a correct and disciplined cadre in all his orders and actions, who shows a general interest, works and studies, but at the same time maintains close relations with the people. Without these characteristics the military and political education cannot be pursued the way it should and the leading role of the party grassroots organizations in the Army is harmed. Precisely because of this reason, greater efforts are being made everywhere to meet the objectives set by the 9th party Congress which aim at further strengthening the active role of grassroots organizations and promoting the good example of communists. Current meetings for party elections and accountability, where grassroots organizations have set and will realize ever greater aims, will contribute to achieving this objective.

Concern for the strengthening of the leading role of party organizations implies simultaneously continued concern that it and its communists maintain a high vigilance at all times, which means ensuring a high state of alertness and not tolerating alien manifestations that endanger our military preparedness. Comrade Enver has devoted considerable attention to these issues by fully analyzing the dangers caused by megalomania and arrogance in the work of some military cadres. The results achieved in this field,

together with the efforts and results achieved in the struggle against liberalism, simplifications in military training, etc., represent another healthy base for the implementation of those teachings of great importance for the art of people's war and for the military preparedness of the entire armed population. These teachings always remain valid and of great value also for the future in carrying out our military's glorious task that all its branches be prepared and always ready for the defense of our victories and of our country, and to resist any aggression from wherever it might come.

Carrying out such a task is closely related to the need of continuously strengthening military discipline and consciousness as one factor that will create a healthy moral and political situation and a high military preparedness. The implementation of the great tasks to improve discipline, as the party teaches us, has become the main factor in our efforts to strengthen the moral and political situation, and improve military training by scoring continuous successes in quality and development.

We are today witness to the great power of Comrade Enver's instructions to the higher military school and their implementation throughout the country, which as a system conform to the demands for the military preparedness of the entire people for the defense of the motherland, with good organization, high discipline and programs formulated based on scientific basis, in full conformity with the military line of the party and the People's Military art. Free military schools were established and became a powerful means for the realization of this great task which comrade Enver considered important for the development of the popular character in the military and its close links with the people.

In the material included in this volume, we see the great optimism of the leader, his unwavering trust in the ability of party organizations in the military, communists, cadres and all the troops to make the army steel-like and to always leave it prepared for any eventuality.

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REVIEWS FAULTED FOR LACK OF CRITICISM OF ARTS

Tirana DRITA in Albanian 28 Jun 87 p 11

[Article by Sander Cefa: "When Criticism is Silent...."]

[Text] If one glances at writings and discussions about problems or achievements of our music during recent years, it appears that there are very few works which illustrate or prove various artistic phenomena. As a result, work with a poor scientific level has given criticism, in many cases, a general panoramic, observational and superficial character, sometimes lacking the courage to point a finger where it belongs. Without denying its best successes, it can be said that amid the great mass of works and problems of creativity, musical criticism still seems small and insubstantial.

It has now been admitted that in artistic creativity there are many works of average or mediocre level, artists and institutions that are only slightly pleasing or sufficiently so to overcome the difficulties of the moment. But very few efforts have been made by critics and composers to reveal what these works are and where these phenomena have their roots, in order to specify and differentiate the creativity of well known composers and those without experience; in order to encourage new talent and criticize creativity without value; in order to find the source of the roots of shortcomings in musical works, in the treatment of content or in the development of musical language; and, more importantly, in order to give ways of overcoming this situation.

One of the major deficiencies is the lack of differentiation among the creative works of composers and evaluation of characteristics and positive achievements of one composer or another. There are many composers now, who, with professional ability, are advancing further the experience gained in past decades of development of our socialist realist music. But how much has criticism done to emphasize this creativity compared to a great number of works and creations which have not achieved any level? In the article "As Close as Possible to the Emotions of the Times" (DRITA 7 September 1986), there was discussion with concrete examples about the use of a rich language and technique, about a kind of maturity which is observed in the creative artist. But when there was discussion of selection and elimination of some works (which must be made), as well as of the attitude that must be held toward them, the article neither gave an evaluation nor eliminated anything with respect to works or types of technique, and, concretely, it did not take any position, since it did not mention any work or author. While, in fact, there are dozens of works about which little

or nothing is said, works which have been performed very little or only once and have been relegated to the "fund" of forgotten creations.

Even in some of the quick discussions that are carried on after performances, the talk is often of general things, by means of which the participants in the discussion can circumvent opinions about the works by levelling their values, without emphasizing the shortcomings that are observed in any creative individuality. Sometimes, even if some works are criticized, they are usually not by well known people.

There are few works that enter into the repertory of performing arts companies or individual interpreters. No critic, however, has paused to analyze why this happens. Is it because of weaknesses or because of demands that are too high? If the reason is that the works are weak and without value, can some of them be reworked or should they perhaps be performed a few times so that they may be better known and take on artistic life? These questions are rarely asked and, when they are asked, they are not always answered.

More concretely, in the journal NENTORI, not one article was published about the creative musical work at last year's May Concerts. Thus, critical opinion and selection of works is lacking, while the creative activity of a year forms a visible stratum of accomplished work upon which the creative activity of the next year is built. This practice means that works of value have been relegated to dust and oblivion.

Criticism is also silent with regard to the creative work of national competitions, even with regard to those works, the interpretation of which constitutes an event in the artistic life of the country. Let us take an example: last year, the Theater of Opera and Ballet successfully performed F. Ibrahim's ballet "Plaga e dhjete e Gjergj Elez Alise" [The Ten Wounds of Gjergj Elez Alia], and it received the "Tefta Tashko Koco" prize as the best work of 1986. But not one experienced musician undertook to write a serious, analytical article about it. Similarly, responsible articles have not appeared regarding other theatrical and symphonic works of a high level that have been performed, such as the operas "Toka jone" [Our Land], "Zgjimi" [The Awakening], and "Borana", the ballets "Para stuhise" [Before the Tempest] and "Joniada", and the symphonic works of Pec, Shupo, etc.

The silence of critics and of musicians themselves, who can give valuable opinions about the creative work of their colleagues, is harmful and is evidence not only of a lack of courage, but sometimes also of lack of professional assurance, as well as of indifference and underestimation.

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HUNGARY

POLITICAL

'SURPRISINGLY SHARP TONE' MARKS PARLIAMENTARY DEBATES

Greater Parliamentary Role Urged

Budapest HETI VILAGGAZDASAG in Hungarian 27 Jun 87 pp 4-6

[Article: "Committee Debate On Actual Closing Budget Figures--Financial Pessimism"]

[Text] With the deficit bloated to twice its original size, the closing figures of the 1986 state budget will be presented to Parliament's summer session beginning on Thursday. Prior to the plenary session, a member of the Committee on Planning and the Budget recommended that the next budget law contain mandatory ceilings not to be exceeded without specific legislative authorization.

For many reasons this reporter experienced déjà vu while attending the Committee's Friday session. It took place just prior to the National Assembly's plenary session scheduled to consider the closing report on the 1986 state budget. The Committee meeting--often referred to as the "little parliament"--was attended by at least 50 representatives from virtually every parliamentary committee. In many respects the meeting was reminiscent of similar past meetings. At this time debate focused on last year's budget deficit which doubled in size as compared to original projections (from 23 billion to 47 billion forints). This is not the first time that the National Assembly faced an increase of this sort. At this time last year the same representatives faced a 1985 budget deficit that was six times larger than originally projected. Last year the deficit amounted to only one-third of the present deficit (15.7 billion forints), however. Parliament is already familiar with large deficits: last December the 1987 proposed budget projected a deficit of 44 billion forints. For all these reasons Friday's session was not the first one in which Parliament urged radical changes in economic policy, and in which expressions of reduced levels of confidence in the Cabinet were heard.

"Cabinet actions were not sufficiently thorough during the past two years to stop the economic deterioration that began several years ago. Too many concessions were made to special interests and to the detriment of the societal interest", Industrial Committee spokesman Pál Gagyor said. According to the nine page press release that outlines Gagyor's statement, negative tendencies can be seen not only within the enterprises, but also at the Cabinet level. "Special interests that appear important to the Ministry of Foreign Trade and the Ministry of Finance should not be subordinate to the fundamental interest of achieving structural transformation", Gagyor said. "Structural transformation can be accomplished only through coordinated governmental action--it cannot be left solely to industry," the spokesman stressed.

The terms 'societal interest' and 'special interest', however, were interpreted in several different ways, depending on individual viewpoints. Finance Minister Peter Medgyessy laconically disputed Gagyor's critique concerning prevailing interests. Medgyessy explained the causes of the 1986 deficit in detail: in part state revenues fell 3 billion forints short of the projected amount, in part the crisis branches of industry, i.e. the iron foundry, coal mining, high rise construction and meat packing industries received 21 billion forints of subsidies over and above the projected levels.

Rep. Sandor Puskas (Eger), deputy president of the National Commercial Credit Bank viewed the conflict of interest in a way different from the Industrial Committee. Puskas said that even as of today the Hungarian economy is unable to cope with the process of bankruptcy. He expressed concern over the recent one-sided trend by which social subsidies were being reduced instead of reducing industry subsidies.

Not unlike in previous committee meetings, Karl Marx University professor Rep. Kalman Szabo (Budapest) explored several conceptual issues. He criticized the existing practice by which Parliament must accept responsibility for the deficit, while decisional processes that lead to the deficit circumvent the legislative process. Professor Szabo stated that because several projections of the seventh 5-year plan are already doomed to failure, the law containing the plan must also be changed on the basis of appropriate analysis. Szabo joined those who urged the resurrection of the old budgetary technique of 'alarm figures' or ceilings which may be exceeded by the Cabinet only upon advance parliamentary approval, and only if the Cabinet is able to provide proper justification. He recommended the establishment of a committee by September to ensure that the concept of 'alarm figures' finds its way into the 1988 budget law. Szabo expressed misgivings about the fact that Members of Parliament are unable to find out at any point in time the exact level of the national debt. "At least they should be as straightforward with the National Assembly as they are with the World Bank", Szabo told the Committee. He went on to request the Finance Minister that henceforth the budget provide a detailed accounting of so called 'segregated' funds. (The total of 'segregated' funds in 1986 amounted to 51 billion forints.)

Responding to the critique of the budgetary structure and safeguards contained in the budget, Finance Minister Medgyessy said that the Cabinet is prepared to review these matters. At the same time, however, Medgyessy felt it necessary to announce that through various actions the Cabinet intends to reduce the

projected 1987 deficit of 44 billion forints to 30-35 billions. Central budgetary appropriations to organizations will be reduced by 4.5 percent, and the Cabinet seeks parliamentary approval of a 3 percent reduction in state subsidies for councils. This savings package would reduce the state budget by 5.5 billion forints. Beyond these reductions, the Cabinet plans to reduce funds that subsidize the most inefficient export transactions. This idea was floated already at another committee meeting last week. Military expenditures representing 4.5 percent of the state budget also would be reduced by 0.5 percent. Finally, it is likely that state price supports too will be reduced.

In closing the Committee chairman, Academician and Rep. Jozsef Bogner emphasized that in Hungary 16-17 percent of the national income, and within that, 27 percent of budgeted expenses is allocated to subsidize enterprises. Adding to these figures additional subsidies financed out of the 'segregated' funds, one finds that 33 percent of the budgeted expenses constitutes grants to state enterprises. This percentage is based on a review by Committee members. Along with extremely high levels of subsidies, the financial situation of enterprises remains precarious. Bogner called attention to the fact that enterprises pay 85 percent of their pre-tax profits to support public expenditures, leaving rather modest amounts for technological development, important from the viewpoint of the future.

Civil Rights Changes Questioned

Budapest HETI VILAGGAZDASAG in Hungarian 27 Jun 87 p 5

[Text] It is anticipated that the act of willingly and knowingly concealing one's business assets from creditors for the purpose of evading repayment of debts will once again qualify in Hungary as a criminal act. This, following a 26 year pause during which time the applicable legal provisions were not in force. The qualification of this act as a crime would be similar to the corresponding provisions of the 1878 Criminal Code of Law. Last Thursday and on the following Monday members of the Parliament's Judiciary Committee reviewed the related proposed change in the Criminal Code of Law [BTK] and in the Code of Criminal Procedure [BE]. All concurred with the enactment of Paragraph 230/A which deals with 'fraudulent bankruptcy'.

The relationship between the Cabinet and Parliament was not this harmonious with respect to every matter placed before the Judiciary Committee. Moreover, a rather heated debate ensued following statements by some representatives which qualified some of the proposed BE changes as having an effect on civil rights. These proposals are slated for presentation to Parliament this week. Following some critical remarks Deputy Minister of Justice Ferenc Petrik sought Parliament's confidence in those who draft laws, and expressed his conviction that the planned measures would not limit Hungarian citizens in exercising their civil rights.

The actual subject? Paragraph 30 of the proposed law is the one most heavily criticized. It would extend the time during which police authorities may investigate any matter at their sole discretion, from the present 30 day period to one year. Should this change be approved, the multi-tiered system of guarantees that was practiced for decades would cease to exist. Under the

existing system, after a period of 30 days police may continue its investigations subject to the district prosecutor's approval, and the county prosecutor's approval after a period of two months. An extension beyond three months may be granted only by the chief prosecutor. Petrik told the Judiciary Committee that criminal procedures promulgated in the aftermath of the illegalities of personal cult made the process overly secure for today's circumstances. Tight deadlines can be transgressed easily, and for this reason they do not represent real safe-guards. At the same time, however, they render criminal proceedings more difficult, according to Petrik. "We are producing documents at the rate of several thousands," deputy chief prosecutor Sandor Nyiri announced during debate. "We want to do away with the files having to travel around." He also justified the change by increased workload: over the past 15 years the number of criminal cases increased by 150 percent, but the number of prosecutors remained unchanged.

"I am not convinced by the arguments of the framers of this law," Rep. Jenő Horváth (Budapest) announced during debate. "The 30 day limit serves as a deterrent to investigative authorities--it inspires them to rapidly conclude a case. The procedural safeguards must not be relaxed for the sole reason that in 8 percent of criminal proceedings the time limits must be extended. Not even manpower shortage at the prosecutor's office provides justification for doing away with procedural safeguards," according to Horváth.

As it turned out, some legal authorities too disagreed with the proposed change in investigative time limits. In addition to Szeged professor of law György Antalffy's statement of disapproval submitted to the Committee chairman, Budapest professor of criminal procedure Tibor Király, an outside consultant to the Committee expressed his disapproval through the press prior to the Committee meeting. His statement appeared in the 7 June 1987 issue of *MAGYAR NEMZET* and was quoted at length by one representative at the meeting. "I am against the planned relaxation of investigative time limits", Király stated. "Today's time limit is one month. Considering realities, it would be rational to extend that time limit to two months. Having no time limit, however, sustains the period of insecurity, which benefits neither the complainant nor the suspect".

The planned extension of the investigative period to one year was viewed as excessive by Csaba Kereszti too. He is the prosecutor member of the Judiciary Committee. Kereszti suggested a compromise time period, somewhere in between the present and the proposed time limits. Rep. Kereszti provided a lengthy analysis of the consequences that may ensue as a result of discontinuing prosecutorial oversight in refusing to grant permission to investigate, alternatively to order the discontinuation of investigations. "It is disturbing that police authorities, possibly without professional legal training, could decide complicated matters such as justifiable self-defense in a homicide case," Kereszti said.

If approved by Parliament, the present revision of the Criminal Procedure would change the rules of preliminary detention in Hungary. At present seven criteria must be observed in issuing a warrant for arrest. The proposal would reduce the number of criteria to three. Rep. Jenő Horváth viewed the proposed change as one that only seemingly constitutes liberalization, because the

three "rubber criteria" which can be applied to any case would remain in force. (The three paragraphs that would continue to justify preliminary detention are: possible escape, making further proceedings more difficult, and the threat of continued criminal conduct.) Horvath expressed misgivings about the fact that the proposal to be submitted to Parliament lacks one passage that was part of the proposal a few months ago, at the time the profession debated the proposed changes. The missing passage would have enabled a reduction in the number of arrests. The passage provided that a person with no criminal record can be arrested only upon the commission of a very serious offense, and only if such person has no permanent residence and workplace and his family situation is unsettled. Horvath recommended that this passage once again be made part of the proposal, moreover that its language be made more specific. Horvath suggested that with respect to the arrest of persons with no previous criminal record and complying with the other personal criteria the term 'serious offense' be defined as one punishable by five years or more in prison, as provided for in the BTK. The Judiciary Committee was divided on the latter recommendation and later rejected it. Rep. Kereszti, for instance, opposed the idea because it would jeopardize the investigative outcome of even lesser offenses.

In addition to an unusually thorough debate over procedural safeguards, the Committee heard a number of comments concerning the more than 100 proposed modifications of the BTK and the BE. The Committee favored the introduction of a new kind of punishment by which offenders would be sentenced to perform unpaid community work on a day off during the week. Similarly, the Committee agreed to procedural safeguards to be applied with respect to foreigners suspected of having committed insignificant offenses.

Thursday's four-hour meeting produced two dozen modifying amendments to the proposal. The Committee should have voted on each of these amendments, this, however, did not take place. There was an absence of a quorum: only 9 of the 21 Committee members were present as debate came to an end. The Committee vote was postponed until Monday. On Monday the Ministry of Justice announced that it accepted a number of recommendations made during the previous session. Deputy Minister Petrik stated that prosecutorial oversight regarding permission to investigate or to order the discontinuation of investigations will continue. The Ministry did not change its original perception regarding police investigative deadlines, however. Committee counsel Rep. Frigyes Tallosi expressed his opposition to the extended dead-lines, nevertheless a majority of the Committee voted to accept the proposal, including the Ministry's proposal for extended investigative dead-lines. Reps. Tallosi and Horvath voted against the proposal which will be presented to Parliament this week.

Right To Debate Defended

Budapest HETI VILAGGAZDASAG in Hungarian 27 Jun 87 p 6

[Interview with Rep. Zoltan Kiraly by reporter Miklos Halasz: "The Budget--A View From The Bottom"]

[Text] We asked National Assembly Rep. Zoltan Kiraly (Szeged) to state his financial concerns in the context of the 1986 state budget closing report.

[Question] In what respects does your personal financial situation differ from that of the state's?

[Answer] As a reporter for the Szeged television station my base salary is 7,250 forints. With premiums my monthly income amounts to 10,000 forints. Forty percent of that goes to my two daughters--I am divorced. Of the remaining 6,000 forints I spend 1,500 on housing, 2,000-2,500 on food, and give 500 forints to my mother who lives on pension. Small amounts quickly add up to a lot: 150-200 forints go to the laundry, 400 forints pay for newspapers--I purchase every central daily and weekly paper--and I spend a similar amount on books. Of the remaining 1,000 forints I provide a 100 forint allowance to my daughters, and, of course, I buy things for them, since their mother is a low-paid nurse.

[Question] What do you do with the remaining 600-800 forints?

[Answer] I would not be able to maintain a car if I had one. Even the purchase of a bicycle would put me in debt. The monthly honorarium of 5,000 forints I receive as a member of Parliament pays for the related hotel bills in Budapest. Once in a while I invite an expert to dine with me, so that I obtain additional information related to my legislative work. I have no savings, moreover, at this time I enrolled in an English language course--I took out a 10,000 forint loan to pay for the tuition. I believe that my personal situation is similar to that of Hungary. Toward the end of the month I struggle with the lack of funds. I can permit myself only a modest lifestyle. If I decide to make a larger investment I must extinguish financial brush-fires while I re-group funds from one category to another.

[Question] Is it your impression that the brush-fire concept also applies to the budget?

[Answer] Yes. From the layman's viewpoint it is inexplicable how last year's planned 23 billion deficit grew to 46.9 billions. I have no idea about the origins of this problem--they are talking about deteriorating exchange rates and of us not working too well. I'm sure that there is some truth to this, but through my work in Parliament I would like to be privy to the rest of the problems also. For example: I do not know what kinds of economic policy decisions produced the deficit. It is apparent that the 46.9 billion deficit is the outcome of an extended process. It aggravates me not to know who is responsible for all this. I do not believe that Parliament can be blamed for this outcome--Parliament does not debate economic alternatives.

[Question] But you are the ones who say 'yae' and 'nay' to the state budget.

[Answer] Part of the budget is extremely detailed--one cannot obtain an overview. The other part is overly general. Under "other expenses" they show 51 billion forints. I have no idea for what purpose they expend 51 billion forints, at a time when 46 billions are missing. One who is not involved in national affairs cannot tell what "other" means. It would be desirable if larger investments were subject to parliamentary debate, and Parliament should debate these issues prior to making the related decisions. There should be more than a few experts who decide on what branches of industry they want to

spend the billions. Parliament, and through Parliament the Hungarian people should be given a right to make decisions concerning large expenditures.

[Question] A few times your constituents were slightly shocked by your words.

[Answer] I said nothing that is wrong.

[Question] Your outspoken style surprised them.

[Answer] If my constituents ask for my view of the National Assembly, I can only say what I feel to be the truth. I cannot deceive my constituents because my mandate rests on their confidence. It is precisely for this reason that I do not view it a sacrilege to state that I often think that my presence in Parliament is a mere formality. Within my voting district I fulfill my duties as a representative to the maximum extent. I would like to do the same in the National Assembly. Last year I abstained from voting on the 1987 proposed budget. I did not take a position because then, just as now, I could not tell the reasons for the deficit. I did not feel that a thorough exchange of views preceded the vote. I frequently experience this: the functioning of Parliament is a formality.

[Question] How could we change this situation?

[Answer] Unfortunately, parliamentary rules do not encourage substantive work either. A certain viewpoint prevails within the National Assembly. According to one responsible leader: 'our people are not ready for democracy.' This suggests that representatives are not sufficiently prepared for democracy either, but no one expects them to be prepared. Decisions are being made elsewhere, Parliament only sanctions those decisions. Perhaps it would help if upon being elected, representatives would take temporary leaves of absence from their jobs so as to enable them to discharge their constitutional duties as a main occupation. I consider it insufficient that each year the National Assembly meets for only 6-8 days. That is too short a time for thorough debate. Frequently I have a sense of impotence, because I cannot discharge my parliamentary functions the way I would like to.

Budgetary Shortcomings Criticized

Budapest HETI VILAGGAZDASAG in Hungarian 4 Jul 87 pp 4-7

As its summer session came to an end late last week, the National Assembly elected Karoly Grosz as the 56th Cabinet head since 1848. During the two day session it came as no surprise that a substantial majority of Parliament approved the legislative proposal concerning the implementation of last year's budget, although many were surprised over critical remarks made by some representatives.

Finance Minister Peter Medgyessy reported on the background of the 47 billion forint budgetary deficit which is unprecedented in recent Hungarian history. He also reported on this year's financial plans. Medgyessy pointed out that since 1985 both the external and the internal balance have deteriorated, and that indebtedness repayable in convertible currencies has increased. From a

practical viewpoint, no growth was registered last year either within industry in general, or in the construction industry. Although agricultural production was weak, it exceeded 1985 production levels, but did not reach those of 1984.

Part of this unfavorable process continued this year, according to Medgyessy. This year too, convertible currency imports exceeded exports. (Central Statistical Office data for the first four months in 1987 showed the negative balance of convertible currency trade at 430 million dollars.) "We experienced a renewed price devaluation in the food and foundry markets," Medgyessy said.

More than half of all industrial investments was allocated for the purchase of base materials and energy, and less than the needed amount was spent on developing the processing industry. One third of the investments was used for purposes of introducing new technology. A complicated situation arose: the increase in personal consumption was too small to provide public satisfaction, yet it was too great to prevent further deterioration of the balance. "Actually, under these circumstances we are living up today the rather uncertain expectations of the future," according to Medgyessy. Enterprise managers rightfully bring up the issue of insufficient available resources for technological renewal.

Following the Finance Minister's statement Rep. Dezso Kiss (Borsod-Abaúj-Zemplén County), the bill's floor manager stated that budget reports must be presented in a more open, more understandable manner. In order to make responsible decisions, representatives should see proposals at an earlier stage, because that way that they could understand the proposal and could accept or reject it. The Committee on Planning and the Budget plans to consider the subject later this year, ostensibly in October. In the Industrial Committee's opinion only the structural transformation of industry can provide a basis for economic and societal evolution. Today's level of professional commitment and consciousness is insufficient to accomplish the needed transformation and renewal, and we also must establish long-term interestedness, according to Kiss.

Rep. Mrs. Laszlo Rujsz (Vas County) stated that "the people have an increasingly smaller understanding of what we have to say", and went on finding the reasons for this phenomenon in some complex, theoretical package plans and conceptions that are far removed from reality.

Rep. Imre Oross (Gyor-Sopron County) pointed out the dilemma presented by the fact that representatives approve budgets and later approve non-compliance with the same budget. People who from the outset felt that the economy was not prepared for the fulfillment of the plan were proven correct, according to Oross. Oross pointed out that exchange rate deteriorations and reduced export income serve as no excuse. Our inability to act is the real culprit. It is a mistake to talk about a squeeze in world markets--after all, developed capitalist countries increased their imports by an average of 5 percent last year. But while developed capitalist countries increased their machinery exports by 20 percent, the machinery exports from socialist countries dropped 25 percent.

Rep. Sandor Puskas (Heves County) reminded the National Assembly that in October, 1985 an ad hoc parliamentary committee published a report concerning Hungary's economic situation. The report also dealt with the functioning of new commercial banks. It was recommended at the time that the Cabinet authorize commercial banks to conduct foreign exchange transactions (i.e. to put an end to the "monopoly" over foreign exchange by the Hungarian National Bank.)

Rep. Zoltan Kiraly (Szeged) offered for adoption by the National Assembly the following schedule: "First, we must permit a realistic reassessment of the situation, including an in-depth analysis of recent processes. We must reveal the mistakes made by governmental economic management and we must assign responsibility for the mistakes. Only thereafter should we formulate a program for the future, and this should be done by providing alternatives. Following debate regarding the merits of various alternatives, the National Assembly should have an opportunity to responsibly choose the alternative that is best for the nation. The new Cabinet should be entrusted with the consistent implementation of policies thus developed. Only the establishment of a program like this could regain the confidence of society, and would provide assurance that the sacrifices and societal costs of evolution at this time will not have been in vain."

Kiraly further stated that "we cannot give a blank check to the new leadership. Under Parliament's guidance, the leadership must be entrusted with the earliest possible implementation of a program for which Parliament can hold that leadership accountable. It is for this reason too that I propose to the National Assembly to convene another summer session in order to analyze the situation and to provide proper authorizations to the cabinet as well as to a special parliamentary committee to be charged with the development of several alternative action plans. The fall session of the National Assembly should be capable of dealing with these action plans and to make necessary decisions. Time is running out, we must act!"

Finance Minister Medgyessy responded to the remarks. He agreed with the proposal of providing more frequent information to Parliament concerning budget implementation, and that in given cases the Cabinet should request authorizations from the National Assembly before changing previously approved items in the budget. The Finance Minister stressed that the Cabinet is dealing not only with short-term tasks, but it is also seeking methods and opportunities for long-term evolution. Following Medgyessy's statement, the Committee voted to approve the implementation of last year's budget. There were 5 negative votes and 14 abstentions.

On the second day of the session, just prior to adjournment, Zoltan Kiraly received a response to his proposal. In his closing statement National Assembly president Istvan Sarlos noted that in retrospect Rep. Kiraly revised his remarks on several points. E.g. when talking about another summer session, Rep. Kiraly had September in mind, but the Parliament is scheduled to meet in September anyway. Sarlos continued to express his opinion by which contrary to Kiraly's proposal, it is not necessary to establish a separate parliamentary committee to develop alternative action plans for economic recovery. Such action plans are already being considered by the MSZMP CC. At the same time, however, the National Assembly should not assign the task of

developing alternative action plans to one of its committees. Instead the Cabinet should be assigned to work out the tasks involved in economic recovery and the resultant proposal should be presented to Parliament. Sarlos closed the session without calling for votes.

Environmental Damage Protested

Budapest HETI VILAGGAZDASAG in Hungarian 4 Jul 87 p 6

[Article: "The Pulpit"]

Remarks by representatives from villages around the Danube Bend evoked great interest during last week's parliamentary debate concerning environmental protection. Pilis Park-Forest director Rep. Bela Berdar counselled local authorities to demonstrate patience regarding grass-roots naturalist communities, on the one hand. On the other hand he recommended that the government adopt a more circumspect view concerning the hydro-electric plant to be constructed on the Pilis mountains' natural phenomenon called 'The Pulpit'. Berdar suggests a view that takes environmental protection concerns into account "in due consideration of political sensitivities in the area". Rep. Berdar pointed out that the construction of an 8.6 million cubic meter reservoir would be accompanied by the devastation of forestlands, the dynamiting of several million cubic meters of rock, road construction and the erection of power lines, all of which would change the Pilis Scenic Area into an industrial development. The area adjacent to Visegrad also enjoys international protection. It is one of UNESCO's designated biosphere reservations.

Targeting The Pulpit for a major investment has a long history. Following Rep. Berdar's Friday remarks there were no additional comments on the subject. In its essence, the planned development would be a peak power plant to pump water from the Danube at night into the reservoir to be built at 510 meters above sea level. At times of peak consumption the water would drive turbines to produce a capacity of 1280 megawatts. (This capacity level equals the present capacity of the Paks nuclear plant.) Advocates of a pumping power plant provide a number of supportive arguments. Operating costs would be lower than those of the present peak plant at Szazhalombatta which runs on hydrocarbon. In the event of power failures--frequent occurrences in the CEMA energy network--a pumped plant could be functional within seconds, while the plant at Szazhalombatta requires several hours of priming. Concerning the location: power plants of this kind function most efficiently on tall mountains along rivers. This is why the location of the The Pulpit, just three kilometers from the Danube is so favorable, according to planners. The project to be constructed during the 1990's would cost 20 billion forints at 1987 prices, according to Viziterv calculations. The expense would be defrayed in 5-8 years.

The planners also state that the reservoir, which is ten times larger than Lake Hamori at Lillafured, could blend into the natural environment if appropriate recultivation were to be provided. The power plant itself would be built underground. The water (between the Danube and The Pulpit) would be channeled through tunnels, in some places 300 meters below ground. However the energy carrier creates more headache. Present plans call for underground

high voltage cables from The Pulpit, and only three kilometers from the power plant, at Akasztodomb would the cable run for several kilometers above ground, all the way to the Pilisszanto-Csobanka long lines.

Not unlike Rep. Berdar, several naturalist experts are concerned with developments at The Pulpit. Academician Arpad Berczik stated recently that the planned reservoir would once and for all end natural vegetation in the area and would severely damage groundwater levels. "Viewing the unparalleled panorama offered by Dobogoko we would see technical establishments, and long distance power lines down to Csobanka. The latter would be even more disturbing. They would cut across the entire Pilis mountain range", according to Berczik's published statement in the March issue of OTLET. Berczik is director of the Ecological and Botanical Institute of the Hungarian Academy of Sciences.

The position taken by the National Office of Environmental Protection and the Preservation of the Natural Habitat contains several contradictions. On the one hand the Office has issued permits for the commencement of geological research needed for the construction of the power plant, on the other hand, with respect to possible construction, they continue to view laws providing for the preservation of the natural habitat as binding. What else could they do? These laws (Order No 4 of 1982 concerning the preservation of the natural habitat, and Cabinet Determination No 8 of 1982) state that the so called 'core areas' of biosphere reservations enjoy increased protection. The Pulpit has been designated as one of these core areas. In such areas it is prohibited to engage in activities, or to operate buildings or plants which would disturb or damage the character of the area, or would disintegrate the panoramic unity of the area.

Parliament's Internal Procedures Debated

Budapest HETI VILAGGAZDASAG in Hungarian 4 Jul 87 p 7

[Text] Last summer the National Assembly adopted new rules of order (see: HETI VILAGGAZDASAG 1986/26.) A majority of the legislators who voted on the matter had no prior parliamentary experience. Last Friday, exactly a year after the adoption of the original rules, the first public critique of those rules was heard. This is not surprising. Over the past several months a number of legislators expressed dissatisfaction with parliamentary rules of order. They did so in semi-audible, one word statements, at permanent committee meetings and in the corridors of Parliament. In spite of this record, Mrs. Szirtes, Erika Tomsics's parliamentary inquiry was unexpected at the conclusion of a day and a half of deliberations. Her inquiry ran counter to the published order of the day: "I feel that the agenda serves us, and not in the reverse," Rep. Szirtes said. Following this introduction she used short sentences to call attention to some of the neuralgic provisions of house rules.

Her first complaint pertained to a rule that requires representatives to submit proposed modifying amendments to the appropriate parliamentary committee eight days in advance of the opening session of Parliament. The rule went into effect last year. "This rule excludes the possibility for any

representative to submit modifying amendments, if such amendments are inspired during floor debate," Rep. Szirtes said. And although in these days disruptions in the Hungarian Parliament are very infrequent, her statement was affirmed by one back-row representative exclaiming: "that's right".

"Who has the right to decide which committee has jurisdiction and is supposed to comment on a modifying amendment", Rep. Szirtes queried. She brought up the example of Bertalan Sudi's proposal the day before. Sudi, who represents the people of Janoshalma recommended that the acceptance of payments of gratitude by physicians be qualified as a criminal act. Following brief debate the Judiciary Committee rejected Sudi's proposal, nevertheless Rep. Szirtes had misgivings about the Committee on Health not having been asked to opine.

Rep. Szirtes then broached the issue of the relationship between Parliament and its permanent committees. As a result of last year's modified house rules the committees have undoubtedly gained strength, to the detriment of the National Assembly as a whole. From time to time the new rules produce awkward situations. Rep. Szirtes exemplified this by Rep. Jeno Horvath's proposal on the day before. Rep. Horvath did not enjoy majority support in the Judiciary Committee. Subsequently he made an attempt to convince the National Assembly concerning the propriety of his proposal: that an extension of police investigative authority from 30 days to a year or to six months could relax criminal procedural safeguards in Hungary (See: HETI VILAGGAZDASAG, 1987/26.) Horvath reintroduced the proposal, nevertheless it was not raised on the Parliament floor. Instead it was once again referred to the Judiciary Committee which convened during a recess of the plenary session. Accordingly, the same body that rejected Horvath's proposal three days before, rendered another decision on Thursday concerning the same proposal. No wonder that the Committee again recommended that the National Assembly reject Horvath's proposal.

Even though she is not a member of the Judiciary Committee, Rep. Szirtes is one of those representatives who attended last Thursday's special Judiciary Committee session. Thus she was able to see that with respect to Horvath's proposal there almost came about a compromise. As recommended by National Assembly deputy president Rep. Mrs. Ferenc Cservenká, Minister of Justice Imre Markóczy appeared to be inclined to accept a compromise by which independent police investigative authority would be reduced from the Ministry's proposed limit of one year to six months in criminal cases, and from six months to three months regarding misdemeanours. In response to this Horvath modified his proposal. He was willing to accept an extension of investigative authority from one month to two months. No further concessions were made by either party, and thus the Minister of Justice reverted to his original proposal. Accordingly, the National Assembly voted to accept the Ministry's original proposal containing the 1 year and 6 months time limits, respectively. There were 12 negative votes and 32 abstentions.

Had this same debate taken place at the plenary session, there would have been a better chance for a decision based on mutual concession, according to Rep. Szirtes. On these grounds she recommended that in the future, following a debate concerning a given legislative proposal, debate should not be automatically brought to an end immediately following a minister's response. "One need not worry about endless debates. We can vote to invoke cloture at any

time." Finally, Rep. Szirtes proposed that henceforth modifying amendments shall not be disposed of by casting a single vote for all of the amendments. Instead, the National Assembly should vote on each proposed amendment separately.

In the final analysis, these parliamentary inquiries, just like some of the details of the above mentioned criminal code debate, raise a number of questions concerning the effectiveness of the newly adopted parliamentary rules of order. The present debate shows that the Hungarian legislative process would indeed require a two-part (general and detailed) debate mechanism. The possibility of such extended debate, except with respect to a few instances, was discontinued by virtue of last year's house rules. In the course of a one-time debate the National Assembly may be legally faced with issues (like the para-solvency issue of these days) that require thorough discussion and the clarification of certain conceptual issues. An informed vote could be cast only following such discussions and clarifications, and not hastily, on the basis of an hour or two of deliberation immediately prior to casting votes.

As of today, the fate of these suggestions remains uncertain. National Assembly president Istvan Sarlos did not open these issues for debate, instead he announced that he would seek Judiciary Committee opinions concerning Rep. Szirtes' proposals. Only after the Judiciary Committee disposed of the issues may the National Assembly decide the fate of proposals involving parliamentary rules. Such decision may come as early as the fall session of Parliament.

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GROWING POLITICAL, CULTURAL NONCONFORMITY AMONG YOUNG

Budapest IFJUSAGI SZEMLE in Hungarian No 3, 1987 pp 38-49

[Article by Andras Bozoki: "Critical Behavioral Models Manifested By The Young Intelligentsia"]

[Text] This study examines the political value orientation and resultant critical behavior types manifested by a segment of the young intelligentsia --mainly by university and academy students in Budapest. It is not based on sociological data, or on any other kind of systematic, empirical research. In this sense then, the study must not be viewed as a scientific analysis. It is an experiment in typecasting, based on personal experiences, on lessons learned from professional and friendly debates, and on readings in the field of sociology.

The entry into adulthood by today's generation in its twenties was attended by the fundamental experience of a gradual narrowing--the loss of perspective. In terms of dates and turning points: their guideposts are no longer 1956, 1968 or 1980-1981. Their childhood still had broadening horizons: it was spent in the reality and promise of economic growth and political relaxation. Subsequently that period was appropriately labeled as "anti-reformist", yet that label applied only on a narrow scale. At the societal level that decade was one of "welfare socialism" and of middle class solidification. Between 1979 and 1981 however, all the events that brought about domestic and international change piled up suddenly. From the viewpoint of the subject generation, these events are not in the too distant past so as to prevent their recall. Their effects can still be felt: the accumulation of unresolved societal problems, significant price increases, an increased national debt, the second oil explosion, the beginning of the war in Afghanistan, NATO's "dual decision" concerning rocket deployment, the boycott of the Moscow Olympics by some Western nations, the explosion in Poland and the subsequent international credibility crisis, sensitive internal conditions, and cold war atmosphere.

Quite naturally, the effect of all these factors was collectively recognized only by a few: some of the factors were known only to closed groups of experts, and there were yet other factors which affected everyone. The essence: by decade's end something had changed, and this change brought to the surface various types of critical behavioral forms. It is these critical behavioral forms I am dealing with here and now, and I do not consider it my task to examine the characteristics of loyal and indifferent generational behavioral patterns. [Footnote: these behavioral models have been discussed earlier in this periodical. Ed.]

In describing critical attitudes, an initial approach would differentiate between the cultural and the political expressions of autonomous initiatives, value orientations, movements and the seedlings of movements.

In the area of cultural expression, the revival of critical behavior was first signified by the emergence of subcultures related to punk and to the new wave. The "golden age" of the new wave lasted from 1980 to 1983, but its effects can still be felt. The magic of groups representing the new wave was only heightened by police preparedness that attended their concerts, and by the fact that their music was not broadcast and their records were unavailable for quite some time. Initially the lyrics of their better songs (e.g. URH, Committee, Europe Publishers) contained segments that could be interpreted to contain political messages. Later they transcended to cover issues that affect humanity as a whole, deal with the meaning of culture, and explore the planetary issues of survival.

Various literary and artistic groupings and their followers also belong to this category. It is this category where the broader circle of the old MOZGO VILAG belongs, and so does the hippie culture of the former Extra Copy society, the Jozsef Attila Circle, the readers of the JAK-booklets, of the NEW MOON ANNUAL REPORTS, and of the PHILOSOPHERS' INDEX, the Orley Istvan Circle, the subsequently professionalized Studio K, the Vajda Lajos Studio, the Art Gallery Kino, and the rather diffused, avant garde groups of the Young Artists Club. For analytical purposes, none of these groups can be artificially isolated from the rest. They communicate with each other, and various performances of one group are attended by the members of the others.

Just as it is difficult to delineate these groups, it is equally difficult to make generalizations. It is debatable whether any generalization can be made at all. Nevertheless one trend becomes apparent: there came about an autochthonous form of art manifesting an increased need for "pure" aesthetics. This is the result of the subject generation's urge to explore reality at the turn of decades, and of the appearance of an abundance of sociographic and documentary works. There also emerged various avant garde, post-modernistic and on occasion anti-rational artistic endeavours. In literature, there was Peter Esterhazy along with Peter Hajnocy, in the motion picture arts the experimental works of Gabor Body and Andras Jeles appeared along with the trend represented by the Gulyas brothers and the Association Studio. The works of Bela Hamvas, Dezso Kosztolanyi, Geza Ottlik, and in general, of the "homo aestheticus" were being cultivated. The publication of revealing "socio" forms of art had only a partial effect upon the new approach, because this form of art remained at the individual level, while art as a whole was

degraded into applied art, and literature was degraded into applied literature. The need for an escape from the trap paved the way in the direction of abstract aesthetics, sarcastic humor, and new experiments. The critical element of this behavior may be discovered in the turning away from the urgings of social reformers--these were perceived as illusions. One of the youngest, the poet Istvan Kemeny had this to say in one of his critiques: present-day normative literature "is being presented in the spirit of accuracy and with a sense of easy-going neutrality."

Within this category we may also mention the alternative lifestyle movement that is gaining strength: the psycho clubs, sects that have their roots in the Orient, the Yoga movement and the proliferation of religion-based communities. Their common denominator is that they reinforce the ideology of an "exodus", merging idolized personalities, transcendental needs, and vague, metastatic critical behavior.

The literary and artistic groups Inconnu and Underpress whose variety of critical art has political content, represents a transitional status, nevertheless should be mentioned along with these groups.

The mere fact of the appearance of critical behavior that has gained political expression is surprising. It is surprising, because the past few decades only served to reinforce the distinctly Eastern, rather than Central European tradition by which political opposition could be publicized only if wrapped in cultural or literary garb. Accordingly the response too assumed a literary, linguistic, aesthetic (etc.) character. It is in this respect that we discover a change--one that had its beginnings in 1980 and continues in our days. In the intervening years the young generation (too) witnessed a process in which the standard of living registered a decrease, the environment became polluted, the prospects of peace and survival diminished, and the political structure entrusted to deal with problems remained essentially unchanged. Concern for the future and abstract fear thus became a group and a mass phenomenon: it brought people together and catalyzed movements. Many refused to follow their predecessors' resigned, realistic politics (which, in time, became relativistic,) because they sensed that those predecessors were left out of the consolidationist consensus of the sixties. The eighties signaled the need for a new consensus, but the political conditions for a new consensus had changed. A new need emerged, by which previous agreements based on personal contacts required guarantees at the political institutional level. Stated differently: the privilege conveyed by exclusive-representative openness had to be replaced by the right to democratic openness.

The number of clubs and debating circles increased, the movement supportive of specialized colleges was resurrected. Among university students too the various situation analyses differed, and different reform ideologies emerged. In recent years, literature pertaining to youth sociology registers a stratification by generations and a lessening of inter-generational communications. Today, however, one age group appears to be awakening. It is beginning to take the first steps toward establishing common values, by identifying with other generations. The means by which this is accomplished are debates, ideologies that attract groups, and the articulation of fragmented political values. Fragmentation and unity seem contradictory only at

first glance. Unity based on fragmentation is more real, and has more content than pseudo-homogenization that disregards fragmentation. The latter leads to a "youth ideology" that can be manipulated easily, as this was recognized by Akos Szilagyi.

The search for a way out that evolved as a result of growing uncertainties and a collective identity crisis (although the latter affected various social groups in different ways,) had a pluralizing effect on society, including on the young intelligentsia. Individual reform ideologies differed only in content and method--they were unified in purpose and as to the need for reform. Increasingly limited financial compensation and the parallel surrender of values once viewed as socialist values, projected the close-up specter of a kind of socialism that is not societally oriented.

The groups described herein agree with respect to the fact that socialism must not be identified with Stalinist principles and practices of an organized society, (a form that evolved in the USSR during the thirties and subsequently assumed the character of the "mandatory model" for East European nations.) These groups also agree regarding the need to introduce a system of values that is national and democratic in character (even though the content of that value system is perceived in various ways) and which would hasten the achievement of increased social sovereignty and the reconstitution of the political system on legitimate foundations.

As measured in terms of ideological content, critical behavior that gains political expression includes both comprehensive and non-comprehensive approaches. This means that in one respect we are being confronted with a broadly expanded political conception, while the remainder exerts its criticism only within a given sphere of societal issues.

The "non-comprehensive" types constitute the so called "single issue" movements, which enjoy an advantage as well as suffer a disadvantage vis-a-vis the comprehensive type. Single issue movements have the advantage of being recognized as "movements" and as "mass or group actions", and not merely as a cluster of "shared values". By virtue of their continual, suddenly changing status of being cohesively assembled at one point in time, then disassembled at another wards off sectarian tendencies. Their disadvantage may be seen in their "single minded" orientation toward a single issue. If, for one reason or another the single issue espoused becomes moot, the movement vanishes. Western movements concerned with peace and the environment, feminists, homosexuals and squatter rights belong in this category, and these are not exclusively youth movements. In Hungary there are no feminist and homosexual movements, on the other hand there are city and nature preservationist societies which gather as a result of spontaneous endeavours. Virtually all adult age groups are represented in these societies. On the other hand, peace and environmental movements are primarily within the domain of the young.

The paradox nature of peace and environmental movements may be found in the fact that these are actually political groups that do not pursue "politicizing". As a result of a polarized societal image produced by the political structure (in which the conceptual pairs of "we" and "they", and "outside" and "inside" is in frequent use,) such movements may count on long-term success

only if they acquire legitimacy as a social movement of limited scope, one that nevertheless pursues a societal goal. They cannot present themselves as a political alternative. These groups endeavour to achieve a status of being indispensable by possessing an unquestionable level of expertise regarding their specific issue. And since direct involvement in politics could serve as proof of their being in the opposition, they do their utmost to avoid such involvement. In some respects their arguments went beyond the political domain (i.e. their causes were presented in terms of general, human issues,) in other respects they did not reach the threshold of politics (i.e. they presented elements that were purely expert/technical concerns.) The activities of the peace group "Dialog" (1982-1983) and the environmental group "Danube Circle" (1985-1986) were characterized by an endeavour to maintain the sensitive balance of constructive criticism. Within the community-building process of both of these organizations there simultaneously emerged a need for autonomy and a preparedness for constructive cooperation. This held the promise of an evolving new political culture--one that exceeds the old Kuruc-Labanc traditions. The history of Dialog provides a good example for both the development and disintegration of illusions. Amid the dilemmas that accompanied their growing-pains, and in the midst of self-consuming debates that attended their leadership selection, some theories about basic democracy, of anarchy and of representation clashed. Before long a "radical autonomist" and a "moderate constructive" group were opposed to each other. An internal structural crisis that threatened Dialog with being split into two organizations also played a role in the downfall of that movement. As it frequently occurs, in the ensuing debate the two opposing factions blamed each other. The moderates blamed the autonomists of being "excessively radical", while the autonomists blamed the moderates of having "self-limiting illusions". (Needless to say, similar movements on an international scale yield more general conclusions applicable to the European scene. These cannot be detailed in this study. Suffice it to say that Western European peace movements too experienced a decline following their culmination during the "hot autumn" of 1983 in which rockets were deployed.)

Hungarian environmental movements appear to be more viable and persevering. This is so because of their local character, one that provides closer ties to local society. At the same time, however, the efficacy of peace movements should also be viewed on a broader scale. Even if they were unable to achieve tangible results, one cannot disregard their long-term effect that tends to integrate the political sphere into society. This takes place as a result of the fact that peace movements are based on a need for community action, and the precept of community action is preserved in the consciousness, behavior and "collective memory" of the participants. In time, this consciousness, behavior and memory can once again turn into a political force. In other words, there emerged an amateur activist stratum which once witnessed community action, and which acquired knowledge of how to debate and how to organize. Linked to a different social problem, these groups have the potential of reorganizing.

The common characteristics of single issue movements are openness, flexibility, a deliberate distancing from politics, and an abstention from providing an "ultimate" clarification of ideological goals and values. These groups do not endeavour to expropriate the complete persona of their members and to thus

create an organizational elite. An important new feature of their tactical arsenal is the return of direct action, including overt demonstrations on the streets. This is equally reminiscent of the traditions of earlier workers movements and of present-day Western student demonstrations. The group Dialog for example, implemented a number of collective, non-violent actions on the promenades and busy squares of the inner city.

While both the Western and the Eastern critical movements of the sixties were guided by values believed to be free-standing--i.e. the quality of being revolutionary, freedom and self-realization--the "single issue" movements of our age view the protection of life and nature as most important.

Critical behavioral models having a comprehensive ideology emerge as specific types of conduct to a lesser extent (e.g. by the young who openly declare their being in the opposition.) A larger part remains at the level of value orientation. A characteristic feature of all of these models is that they view individual problems in more or less coherent, global-political contexts. Compared to the value orientation of the critical thought of previous decades, one recognizes here the weakening of the influence of the Lukacs and Frankfurt schools of thought, and through them the weakening of Marxist influence. In general this represents the need to abandon the German cultural perception, the traditions of German philosophy. Simultaneously an endeavour to become familiar with the Hungarian national past and with the liberal tradition gained strength. The latter is a learning process in Anglo-American neo-liberal theories. (The Hungarian national past and the body of Anglo-American neo-liberal theories constitute the two basic poles of political orientation examined herein.)

Within the field of comprehensive critical orientation we may differentiate between "third force" ideologies, and others that have their roots in Western and European intellectual history. At first glance this differentiation signifies a division between "populist" and "urbane"--two opposing models. But the value system of today's young in their twenties is more complex. Unquestionably, the dimension of "populist" versus "urbane" is also present, but we must further differentiate in order to recognize our perceived composite of today's young intelligentsia involved in politics.

By now even the "third force" phenomenon has a multiple meaning: we may differentiate between "populist" and "liberal socialist" third force ideologies. Populists endeavour to achieve a synthesis of opposite trends and urge a far-reaching consideration of the national character. The liberal socialists (a more recent, and more European phenomenon,) aim at overcoming two alternatives, both of which are perceived as bad: capitalism on the one hand, and "apparatus socialism" on the other.

Before examining any of these trends, we must mention yet another trend, one that is seemingly third force, but in reality is pragmatic. In the minds of pragmatists, having the character of "third force" does not represent organic development based on traditions, nor does it mean a strategic program having a perspective. To them "third force" means a political middle-of-the-road, a centrist attitude. They feel that today's Hungarian political system provides more than mutually exclusive opportunities for value choices, they believe

that it is possible to be at the same time both within and outside--in other words, that it is possible for one to distance himself both from the regime and from the opposition. Not unlike the peace movement, the pragmatists require autonomy in lieu of constructivity, but pragmatists require autonomy relative to the political system as a whole, and offer an "alternative" relative to the political system as a whole. Note, however: in the event that the "alternative" offered by pragmatists assumes a political character, the pragmatists must surrender their movement. The dilemma faced by pragmatists was this: they had to decide whether they wanted to talk politics, or if they wanted to organize a movement. Having reached that point they decided to talk politics. In this respect they deviated from the organizational strategy followed by single issue" movements. Quite obviously they learned their lesson from the contradictions and failures of peace movements. But talking politics, the chosen road of pragmatists is no less controversial. With the increased prevalence of apolitical attitudes and of concepts advocating economic rationale, centrist pragmatists count on an increasing sensitivity toward relativism. Having stayed outside of the official institutional system (and this, in itself constitutes a critical element,) they are thinking in terms of a moderate program. They are trying to improve existing opportunities, within the given framework. This is what reform amounts to them. (They view as reform any and all changes that constitute an improvement.) This attitude, of course, leads to a rapid devaluation of the concept: in their minds reform does not mean a revamping of the reproductive model of society (compare with Kolosi.) It means the continued maintenance of the existing structure. They base their thought on feelings that exist within society, nevertheless are difficult to be rendered in political terms; they rely on an age group that is not intent on committing itself one way or another. Several members of the "moderate-opportunistic" wing of Dialog belong to this group. They misunderstood the logic of the political system and assigned the responsibility of failure to those who "exaggerated", and to "fundamentalists". Their program cannot be characterized as a "movement", instead it predominantly rests on various activities by small circles. These activities are supposed to bring about a tolerant debate culture, a self-consciousness concerning citizenship and national belonging, and a civil society--all in the interest of maintaining a loyal partnership. It is at this point that the thought process suffers a jolt. Orientation along with the given institutional system becomes an end in itself, because beyond its own, declared purpose, the critical standpoint has no clearly defined goals, principles or values. The image of an "anti-political society" that emerges from the pragmatist program is a conceptual paradox. Becoming semi-civil--an existence that tends to assume the features of a middle class--equals a citizen without consciousness. Something of this nature began to evolve during the seventies, but that did not prove to be the way out either. The approach is inadequate as a political program, even though it is being criticized by the bureaucracy.

It is perhaps for this reason that the pragmatic "third force" keeps away from ideological issues and instead emphasizes the above mentioned methods and forms of activities. Devoid of a declared standard for realism, the pragmatic third force stands on a footing of neither here nor there, alternatively of both here and there. They invoke the evolving variety as their reason, but if they would accept the fact that there is an evolving variety, they too would be forced to define their goals and objectives, so that they could be

positively distinguished from the rest. The way they are, however, all they are doing is to project a "single issue" experience upon the political system as a whole--an experience which has discharged its content. Playing the game of politics without a value system can once again lead to the state of becoming impossible, or to being increasingly forced to adjust. Either way, it can lead to the surrender of the achieved autonomy they should be guarding carefully.

The next model for politically comprehensive critical behavior is the value system of the "classical" third force.

A populist system of thought is the characteristic of semi-peripheral countries and nations; essentially it is an original proposal tendered for purposes of overcoming the disadvantages that emerged from the delayed or mixed development of a society in a given area. This phenomenon has presented itself in Russia already during the first part of the 19th Century, in debates between Westernizers and Slavophiles, and later among the Narodniks, and even later in Hungary. One should only have to think about the debate between Dezso Szabo and Oszkar Jaszi on the pages of HUSZADIK SZAZAD (1915,) or about the populist village research movement that gathered around VALASZ in the thirties, and of the lack of mutual confidence within the circle that gathered around SZEP SZO. These divisions are sad symptoms of the disintegration of the reform-age program "Hungary and progress", and of the two values having turned against each other. Using more contemporary concepts, the issue may be defined as a choice between having an organic character on the one hand, and modernization, on the other. The populist system of values is imbued by the demand and need for organic development: that the Hungarian nation must not follow global ideals (thereby alienating the nation from itself.) Instead, populists advocate, the nation must forge an ideology that is appropriate to, and grows out of its collective identity. This kind of ideology cannot evolve independent from national traditions, separate from the joint concepts of community and authority (in the sense that those are reminiscent of pre-capitalistic societies,) and independent from behavioral rules that are characteristic of these. Populists view society as a fundamentally moral phenomenon; economic and political changes too are being weighed primarily on the moral scale. The economic and the political spheres in and of themselves do not bear influence on the depths of national existence that rests on moral foundations, according to the populists. Accordingly, ideologies that deal with these problems (capitalism and socialism) are unimportant, and remain external ideals--ideals that do not reach the essence of national existence. Populists view these ideologies from the standpoint of the extent to which they correspond with the "nature" of the people, and examine the societal price and effect of development that is brought about by virtue of these ideologies. It is the classic third force populist who keeps alive the issue of Hungarian minorities residing in successor nations, as well as the harmful effects of industrialization and urbanization: the shrinking population, the increased divorce rate, the disintegration of family life, premature deaths, issues pertaining to birth control and other societal deviations. They maintain an ambivalent relationship with any regime, one that is critical and compromising at the same time, and this is so because their approach to politics is ambivalent because politics is perceived by populists as a segregated societal sphere. For populists the only acceptable kind of

politics are politics based on morals. As a result of this fact they reject the irrationality and the morality of the East--the latter leans toward transcendentalism--as well as the cold rationale of the West--a practice that is based on the secularization of teachings concerning salvation.

This populist third force perception provides a basic, emotional stand and a structure of thought for a segment of the young intelligentsia engaged in politics. Their ideology is a composite of the views of Dezso Szabo, Laszlo Nemeth, Zoltan Fabry and Sandor Karacsony. The name of the newly re-discovered Istvan Bibó may also be mentioned here, although it is a fact that today's young representatives of liberal socialism were as sensitive and as understanding with respect to Bibó's structure of thought as was the Peasant Party of which Bibó was once a member. The original repository of populist ideology--the peasantry--has transformed by now. This transformation took place as a result of mobility that accompanied forced industrialization, and by virtue of forced collectivization. This transformation, however, was not accompanied by the disappearance of an attraction to certain values that tied the peasantry to traditional features of peasant existence. Populism receives its continuous intellectual replenishment from among the readers of certain periodicals published in the countryside (ALFOLD, FORRAS, TISZATAJ,) and from certain universities, academies and debate circles outside of the cities (e.g. the Fabry Circle and the Philosophy Department of the Lorand Eotvos University of Arts and Sciences [ELTE]). Although the movement of specialized colleges is far more fragmented than to permit its classification into any specific group, this movement provides the recruitment base for populists, if for no other reason, because of the movement's historic heritage. The relationship of the populist trend with reform cannot be defined in terms of market orientation or in terms of the institutionalization of political interest groupings. With respect to populists this relationship is defined by the primacy of a certain value: solidarity within a national framework. In these days one finds that representatives of the liberal socialist and of the populist systems of value are on a converging course.

The basic stance espoused by liberal socialists is freedom and equality, and the reconciliation of democratic and socialist values. They envision to warrant the achievement of these ideals as well as the opportunity for renewal by way of the third value within this classic triangle: the value of brotherhood--i.e. the ideal of solidarity. In their minds the essence of socialism can be found in a trend toward societal property and in economic alliances, rather than in nationalization and in the redistributive order of the already accomplished planned economy. Their perceptions aim for democratic processes not only in the political, but also in the economic sphere. In their way of thinking, governmental autonomy is the equivalent of associations in agriculture, and self-governance in industry. Their program of free association is based on public property (which is in contrast with both state and private property,) and the market is subordinate to public property. They believe that market concepts are valid. The "free corporation of free individuals" (Jaszi) is a negation of both the competitive system of classic liberalism and of the impersonal utilitarian dictatorship of the state. Liberal socialists endeavour to revive the personal character of the system of relationships that was practiced by pre-capitalist societies, but without their hierarchical structure. "Their anthropological ideal is neither the entrepreneur nor the

bureaucrat. Instead, it is the networking man" (Szalai.) Theoretically speaking, liberal socialism envisions the functioning of political and economic institutions not within a centralized democracy, but under conditions of democratic decentralization. The assumed image of the "networking man" emphasizes discussion, cooperation and communicative rationalization, and the theory builds its educational program upon these values. It rejects the fetish of constant growth, and it is even willing to limit economic efficacy in the interest of social integration that is founded on the ideal of solidarity.

Liberal socialism is not devoid of utopian elements: from among all the trends discussed herein, liberal socialism is the only one that has its starting point in an ideal, rather than in the real. It presumes that man will accept the idea of cooperation as a personal value, and will place it ahead of his selfish goals. It presumes that man will assign a higher priority to the avoidance of alienation than to profits. Although it is true that liberal socialism is consistent with the theoretical optimum of freedom and equality, the fact is that a realistic optimum of freedom and equality has been achieved only in the most highly developed socio-liberal states, and it was not accomplished the way our liberal socialists envision it.

Nevertheless, a critical analysis of a theory is one thing, while passing judgment over a societal-generational action that is loosely tied to the theory, or is being built upon the theory, is another. The ideals of a political democracy, of free association, solidarity and the program of social property is as timely today as it was ever before. The revival of liberal socialism stems from Lukacs's critique of Stalinism, but in the minds of young people in their twenties it is more likely that Jaszi's, Bibo's or for that matter Habermas' theories serve as catalysts. Bibo's thought, according to which the adoption of Western freedom-technologies would not be in conflict with an endeavour to establish a society in which exploitation does not exist, is often quoted. Although the positive program of liberal socialism is consciously advocated only by a few, by virtue of the ideological rejection of the idea of state socialism, liberal socialism enjoys an extraordinarily sympathetic following by the young intelligentsia. Among these followers one finds for instance young economists, who on the imaginary scale of freedom and equality choose freedom first and profess conceptions of self-governance and of socialist entrepreneurship. At the other end of the scale we find followers of the liberal socialist persuasion who assign primacy to the value of equality. These are mostly young sociologists who pay greater attention to groups that are disadvantaged by the process.

Liberal socialists believe that socialism can be reformed, moreover, they see the sole chance for the continued development of existing socialism through radical reform aimed at the realization of liberal socialist goals and objectives.

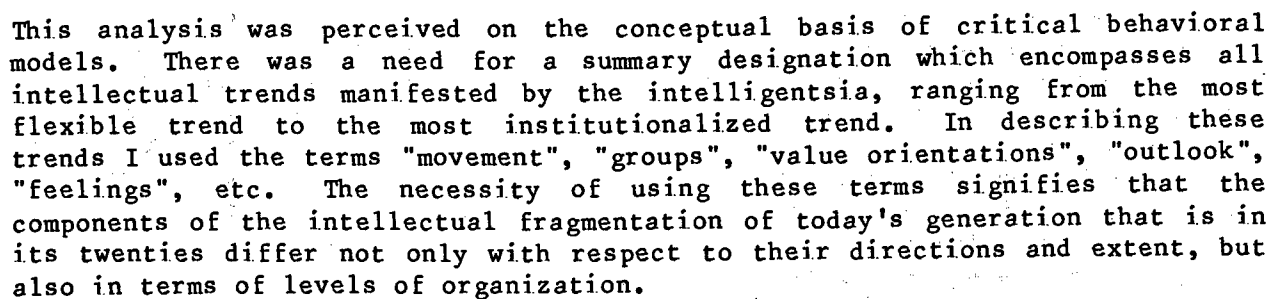
Within our typological analysis the last element is the value system of liberal democrats. The liberals, and (in substantially great numbers) the market-oriented democrats belong to this category. The difference between the views of these two groups is sufficiently small to permit their mention under the same heading. The liberals envision less government, while the market-

oriented democrats aim for a state that operates on the basis of democratic principles. Their thought processes are those of Tocqueville, Eotvos, Mill and Hayek, as well as the neoliberal-neoconservative body of thought that gained strength in the eighties throughout the world. Neither of these two groups described as "liberal democrats" turned into anti-democratic liberals. There hardly is an exception. The feeling of a need for democracy has so deeply impregnated the framework of critical Hungarian thought, that even the effects of ultra-liberal views prevail in a refracted manner, and at that, these views reinforce the system of arguments used by liberal democrats.

Liberal democrats advocate a pluralistic political structure and a mixed economy dominated by the marketplace. In and of themselves, however, liberal democrats are not distinguished from liberal socialists by virtue of the market criterion. To a limited extent, liberal socialists accept a distribution system influenced by market forces. The difference between the two persuasions is that liberal democrats assign priority to private property, rather than to social property. They believe that a society works best if its subsystems function according to their own logic. In the realm of politics democracy serves as such a subsystem, while in the economy it is the marketplace. The functioning of these subsystems must not be a priori restrained by the incorporation of some alien logic, instead the effects of their malfunctions must be compensated for after the fact, through a separate institutional system yet to be established. According to liberal democrats the modernization of Hungarian society must more or less follow the model that withstood the test of time in the West. Their basic values are individual freedom and the evolving forms of grass-roots, community-based politics, the enterprising individual and a civil society. Within this perception property is not a limitation to freedom, it is the guaranty of freedom. This is why liberal democrats feel strange about the socialist ideal of public property and about the anarchist ideal of having no property. Together with all the other critical trends, liberal democrats agree that within their endeavours, social institutions must be formed on the basis of practice, as a result of spontaneous organization, and not as a result of super-imposition, irrespective of whether those institutions constitute representative forms, corporations or local organizations.

Their relationship with reform is ambivalent. A majority of liberal democrats sees radical reform as the passable way, pinning their hopes to the societal effects of radical reform. A minority, however, is skeptical concerning the viability of any possible reform, and therefore refuses to enter into debate concerning reform. Among the members of this generation there are quite a few for whom the value system does not represent a political ideology, instead it represents an entrepreneurial lifestyle to be experienced. In a more polarized situation this minority would be the best potential candidate to put into action the liberal democratic ideology. At present, however, this is the least tangible group, the group that is most difficult to define. The manifest articulation of liberal democratic views takes place in the framework of the second public opinion, but even there it is not dominant. Implicitly however, liberal democratic views can be discovered in several economic and theoretical sociological works.

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CSO: 2500/431

GOVERNMENT YOUTH FUND ESTABLISHED, DESCRIBED IN DECREE

Warsaw DZIENNIK USTAW in Polish No 4, 20 Feb 87 pp 31-33

[Decree of the Council of Ministers dated 9 February 1987, on the principles of the formation, utilization and management of the State Youth Fund]

[Text] Pursuant to article 37, paragraph 4 of the law dated 22 May 1986 on the guidelines for the participation of young people in state, social, economic and cultural activities in the country (DZIENNIK USTAW, No. 21, item 108), the following is decreed:

Article 1. The State Youth Fund consists of the Central Youth Fund, henceforth referred to as "the central fund," and voivodship youth funds, henceforth referred to as "the voivodship funds."

Article 2. Proceeds of the central fund consist of:

1) moneys generated by young people, specifically:

a) contributions of 10 percent of after-tax income generated through economic operations of central echelons of socialist youth unions,

b) voluntary contributions from the balance surplus made by student and youth labor cooperatives,

c) contributions of 10 percent of profit generated by central echelons of socialist youth unions as a result of carrying out contracts for the Youth Social Action Fund; guidelines for setting it up are contained in other regulations,

2) subsidies from the central budget,

3) voluntary donations, gifts and inheritances of physical and legal persons, as well as moneys provided by foundations,

4) proceeds from special events organized to benefit the central fund,

5) repayments of loans and interest on the loans made from the moneys of the central fund,

6) contributions from after-tax profits generated over the first 3 years within the framework of economic undertakings funded from the moneys of the central fund in the amount of:

a) 20 percent of after-tax profit (balance surplus) if less than 50 percent of the estimated cost of the undertaking was underwritten,

b) 30 percent of after-tax profit (balance surplus) if more than 50 percent of the estimated cost of the undertaking was underwritten.

Article 3. Proceeds of the voivodship funds consist of:

1) contributions of 10 percent of after-tax profit generated through economic operations of voivodship echelons of socialist youth unions,

2) contributions of 10 percent of profits generated by voivodship echelons of socialist youth unions as a result of carrying out contracts for the Youth Social Action Fund,

3) moneys transferred from the balance surplus of people's councils,

4) moneys transferred from the central fund,

5) voluntary donations, gifts and inheritances of physical and legal persons, as well as moneys provided by foundations,

6) proceeds from special events organized to benefit the voivodship fund,

7) repayments of loans and interest on the loans made from the moneys of the voivodship fund,

8) contributions from after-tax profits generated over the first 3 years within the framework of economic undertakings funded from the moneys of the voivodship fund in the amount of:

a) 20 percent of after-tax profit (balance surplus) if less than 50 percent of the estimated cost of the undertaking was underwritten,

b) 30 percent of after-tax profit (balance surplus) if more than 50 percent of the estimated cost of the undertaking was underwritten.

Article 4. Moneys of the central fund are allocated to sustain:

1) nationwide volunteer work drives designed to benefit children and young people,

2) voivodship funds,

3) nationwide economic initiatives undertaken by the young people,

4) nationwide initiatives in the field of developing housing construction undertaken by young people,

- 5) nationwide initiatives in the field of developing cultural, athletic and tourist facilities,
- 6) initiatives by young employees in the field of scientific-technical progress and implementation,
- 7) initiatives by young people aimed at protecting the national environment and preserving its value,
- 8) measures aiding the development of particularly gifted young people or those with high professional skills, especially by financing scholarships, internships and practical training, including those abroad,
- 9) activities of young people in the field of international tourist exchange, recreation and culture,
- 10) youth, peace, and disarmament initiatives,
- 11) development of international contacts of the young people in pursuit of the ideal of internationalist indoctrination,
- 12) publishing for children and young people,
- 13) operation of youth cultural, athletic and tourist facilities and cultural, recreational, athletic and tourist activities for children and young people,
- 14) initiatives other than those enumerated in points 1 through 13 sponsored by socialist youth unions and social organizations.

Article 5. Moneys of the voivodship fund are allocated to sustain:

- 1) local volunteer work drives designed to benefit children and young people,
- 2) local economic initiatives undertaken by young people,
- 3) development of economic operations by youth organizations,
- 4) local initiatives in the field of developing housing construction undertaken by young people,
- 5) publishing for children and young people,
- 6) operation of youth cultural, athletic and tourist facilities and cultural, recreational, athletic and tourist activities for children and young people,
- 7) local undertakings in developing cultural, athletic, tourist and recreational facilities for young people,
- 8) undertakings related to the development of the movement of young inventors, especially in the field of electronics and data processing,
- 9) undertakings in increasing the knowledge of young people,

10) aid to orphans and residents of orphanages, as well as handicapped and crippled young people,

11) aid to the parents and guardians of young people in cases specified in other regulations.

Article 6.1. Aid from the moneys of the fund referred to in articles 4 and 5 is provided

1) as a loan for the purposes specified in article 4, points 3, 4 and 5 and in article 5, points 2, 3, 4, 7 and 11,

2) by funding scholarships and financing internships and practical training for the purposes specified in article 4, point 8,

3) as a subsidy for the remaining uses.

2. The loans referred to in paragraph 1, point 1 may be partially or entirely written off in socially and economically justifiable cases.

Article 7.1. Schoolchildren, college students and young employees with exceptional learning, technical or artistic abilities may be granted aid in the form of

1) a scholarship for up to 1 year in the amount of up to 25,000 zlotys per month,

2) financing the costs incurred in organizing, or a stay at, an internship or practical training, including those abroad, in the amount of up to 150,000 zlotys over 1 year.

2. The aid referred to in paragraph 1 may be granted regardless of other forms of aid awarded as provided by other regulations.

3. Specific proceedings in reviewing the applications for aid referred to in paragraph 1 are set forth in the statute promulgated by the minister-member of the Council of Ministers for youth affairs upon consultation with the council of the fund.

Article 8.1. Financial management of the funds referred to in article 1 is based on financial plans. Financial plans for funds, including all sources of proceeds and all kinds of outlays, as well as the volume of the current expenses fund as of the beginning and end of the year, is prepared for a calendar year along the guidelines for preparing draft central and local budgets.

2. A consolidated draft plan for proceeds and outlays of the State Youth Fund and draft plans for proceeds and outlays of the central fund, as well as a report on fulfillment of tasks in proceeds and outlays of these funds are prepared by the minister-member of the Council of Ministers for youth affairs.

3. Draft plans for proceeds and outlays of voivodship funds, as well as reports on fulfillment of tasks on proceeds and outlays of these funds are prepared by governors.

Article 9.1. Moneys of the central fund are disbursed by the minister-member of the Council of Ministers for youth affairs upon consulting the council of the fund.

2. The council of the fund is nominated by the minister-member of the Council of Ministers in cooperation with the socialist youth unions.

3. Moneys of the voivodship funds are disbursed by the governors upon consulting the council of the voivodship fund.

4. Councils of voivodship funds are nominated by the governors in cooperation with the socialist youth unions.

Article 10. The present decree takes effect on the day of publication.

Chairman of the Council of Ministers: Z. Messner

9761

CSO:2600/749

LAW ON PUBLIC CONSULTATIONS, REFERENDA PUBLISHED

Initial Constitutional Amendment

Warsaw DZIENNIK USTAW in Polish No 14, Item 82, 12 May 87 p 165

[Law dated 6 May 1987, on an amendment to the constitution of the Polish People's Republic]

[Text] Article 1. In the constitution of the Polish People's Republic (DZIENNIK USTAW from 1976 No 7, item 36; from 1980 No 22, item 81; from 1982 No 11, item 83; and from 1983 No 39, item 175), article 2 will be changed with the addition of paragraph 3, to read as follows:

"3. The working people exercise national political power also through the expression of their will by way of referendum. The principles and process of conducting the referendum are defined by law."

Article 2. The law takes effect on the day of its publication.

Chairman of the Council of State: W. Jaruzelski
Secretary of the Council of State: Z. Surowiec

Text of Law

Warsaw DZIENNIK USTAW in Polish No 14 item 83, 12 May 87 pp 165-168

[Law dated 6 May 1987, on public consultations and the referendum]

[Text] In order to ensure a more complete implementation of socialist democracy and to enhance the forms of participation in government by citizens, based on the constitutional right of citizens to take part in consultations and referendums, as well as in view of the duty of the organs of authority and state administration to proceed in their actions from the conscious and active cooperation of citizens, the following is decreed:

Chapter 1. General Regulations.

Article 1. Matters of paramount importance for the development of the country, a particular territory or interests and conditions of life of the citizens may be the subject of public consultations or a referendum.

Article 2.1. Depending on its subject, a public consultation may be nationwide, local or community-wide.

2. A referendum may be nationwide or local.

Article 3. The present law sets forth the forms, guidelines for and the mode of conducting public consultations and referendums.

Article 4. Provisions of the present law do not apply to issues involving the defense of the state and the Armed Forces of the PRP, or security of the state and matters constituting a state secret.

Chapter 2. Public Consultations.

Article 5. Citizens, the PRON [Patriotic Movement for National Rebirth], political organizations, self-government bodies, trade and socio-professional unions, organizations of farmers, cooperative, youth, women's, athletic and defense organizations, associations and also other organizations of the working people are entitled to take part in public consultations.

Article 6. In the course of a public consultation, the citizens, the PRON and the organizations referred to in article 5 voice their opinions and make recommendations as to how the issue under public consultation is to be resolved.

Article 7.1. The following may be submitted for public consultation by:

- 1) the Sejm--premises for, or provisions of, or entire draft laws and resolutions setting forth the main directions of the activity of the state,
- 2) the Council of State--premises for, or provisions of, or entire draft laws it intends to submit to the Sejm, and of the regulatory acts it promulgates,
- 3) the Council of Ministers--premises for, or provisions of, or entire draft laws it intends to submit to the Sejm, and of the regulatory acts it promulgates,
- 4) the chairman of the Council of Ministers or ministers--premises for, or provisions of, or entire drafts of the regulatory acts it promulgates, as well as the regulatory acts of the central organs of state administration reporting to it.

2. The following may be submitted for local public consultation by:

- 1) the people's councils--premises for, or provisions of, or entire drafts of their resolutions,

2) general-jurisdiction organs of state administration--premises for, or provisions of, or entire drafts of resolutions which they intend to submit to the people's council, as well as the decisions they make.

3. Premises for, or provisions of, or entire drafts of acts or decisions referred to in these regulations, in particular the ones concerning a given community, may be submitted for community social consultation by the organs referred to in paragraphs 1 and 2.

Article 8.1. The authorized organ resolves to conduct public consultations on its own initiative or on recommendation.

2. The following may recommend:

1) a nationwide consultation--the PRON Executive Board and relevant statutory main organs of the national organizations referred to in article 5,

2) a local consultation--the presidium of PRON council of the respective echelon and relevant statutory organs of the organizations referred to in article 5, as well as relevant echelons of local organizations and organs of local self-government,

3) a community consultation--respective, relevant organs referred to in points 1 and 2.

3. In case the authorized organ does not approve the recommendation to carry out a public consultation, the body making the recommendation is informed and offered an explanation.

Article 9. The authorized organ, having resolved to conduct a public consultation, communicates to the public specifically:

1) the subject of consultations, as well as the goals and expected consequences of the arrangement drafted,

2) the territorial and subject scope of consultations,

3) the manner and method for submitting opinions and recommendations,

4) the dates the consultation begins and ends, provided that the consultation is not shorter than 30 days,

5) the manner and method in which the opinions and recommendations made in the course of the consultation are summarized.

Article 10.1. The organ which resolved to conduct a consultation carries it out and ensures the conditions necessary for it; the above organ may also entrust conducting the consultation to another organ of the state, the PRON, or a particular organization mentioned in article 5.

2. The PRON and the organizations referred to in paragraph 1 may also take part in conducting consultations, to the extent and along the guidelines coordinated between the organ resolving to conduct a consultation and the organizations taking part in carrying it out.

3. The course of a consultation is supervised by the organ resolving to conduct it, in cooperation with the PRON as far as adherence to the guidelines in effect for carrying it out is concerned.

4. The mass media are obligated to inform the public on the course of the consultation, the stands taken in it and the opinions and recommendations following from it.

Article 11.1. The organ which submitted a particular issue for public consultation must:

1) consider the opinions and recommendations made in the course of the consultations,

2) publicize the opinions and recommendations following from the consultations and the extent to which they are used.

2. The opinions and recommendations following from the consultation concerning draft laws submitted for public consultation by the Council of State or the Council of Ministers are presented to the Sejm along with the draft of the law--subject of the consultation, whereas opinions and recommendations following from the consultation concerning draft resolutions of people's councils submitted for public consultation by the general-jurisdiction organs of state administration [are presented to] the people's council along with the submitted draft of the resolution--subject of the consultation.

Chapter 3. Referendum.

Article 12.1. Citizens residing in the country and enjoying the active right to vote for the Sejm are entitled to take part in a nationwide referendum.

2. Citizens having a permanent residence registration on the territory included in a referendum and enjoying the active right to vote for the people's council are entitled to take part in the local referendum.

Article 13.1. In a referendum, the citizens express by voting their preference for a way to resolve the issue--subject of the referendum.

2. The referendum consists of providing a positive or negative response to the question posed or selecting one of the options suggested on an official form.

Article 14.1. The Sejm may call a nationwide referendum to consider specific issues or provisions of the draft laws or resolutions of the Sejm determining basic course of action for the state.

2. The relevant people's council may call a local referendum to consider specific local issues or provisions of draft resolutions on matters falling within the jurisdiction of people's councils.

3. Resolutions on calling a referendum to consider a specific issue are passed by the organs referred to in paragraphs 1 and 2, by at least a two-thirds majority with at least half the total number of deputies or council members in attendance.

4. Specific proceedings of the Sejm and people's councils in resolving to call a referendum are outlined in the statutes of these organs.

5. A resolution of the basic-level people's council is immediately transmitted to the voivodship people's council upon its adoption, and a resolution of the voivodship people's council--to the Council of State.

Article 15.1. The authorized organ may call a referendum to consider a particular issue on its own initiative or upon a recommendation.

2. The following may make a recommendation:

1) to call a nationwide referendum--the Council of State, the Council of Ministers and the PRON National Council,

2) to call a local referendum--the presidium of a people's council, a general-jurisdiction local organ of state administration and PRON councils of the relevant level.

3. In case the authorized organ does not approve the recommendation to call a referendum, the body making the recommendation is informed and offered an explanation.

Article 16. The authorized organ, having resolved to call a referendum, communicates to the public specifically:

1) the subject of the referendum,

2) territory covered by the referendum if it is local.

Article 17.1. The date the referendum is conducted is determined and publicly announced by the organ which decides to conduct it.

2. The timetable for activities involved in conducting a referendum is established by:

1) the Council of State for a nationwide referendum,

2) the presidium of the people's council which resolved to conduct a referendum.

3. The timetable of activities involved in conducting a referendum called by:

1) the Council of State--is subject to publication in the Official Gazette of the People's Republic of Poland and publication by the mass media,

2) the presidium of a people's council--is subject to publication in the voivodship official gazette and public announcement in a manner common in the area in question.

Article 18.1. A national or a local referendum is held in voting districts designated for the last election to the people's councils.

2. Relevant commissions nominated for this purpose conduct the referendum and ascertain its result.

3. The Council of State, in accordance with the provisions of the electoral law, specifies the guidelines for and the manner in which a referendum is conducted, in particular the guidelines for voting and the manner and method of nominating the commissions referred to in paragraph 2; a resolution of the Council of State will be published in the Official Gazette of the People's Republic of Poland.

Article 19.1. The result of a referendum is decisive if more than one-half of those entitled to vote favor one of the options on the issue of the referendum.

2. The result of the referendum is publicly announced.

Article 20. The costs of conducting a referendum are covered from:

1) the central budget for a nationwide referendum,

2) the local budget for a local referendum.

Chapter 4. Amendments in Regulations in Effect and Final Regulations

Article 21. The present law does not conflict with specific regulations concerning solicitation of the opinion of citizens and their organizations, in particular:

1) the law dated 25 September 1981 on state enterprises (DZIENNIK USTAW, No. 24, item 122, 1982, No. 45, item 289, 1983, No. 36, item 165 and No. 39, item 176 and 1984, No. 45, item 242 and No. 54, item 275),

2) the law dated 25 September 1981 on self-government of the workforce of a state enterprise (DZIENNIK USTAW, No. 24, item 123 and 1986, No. 17, item 88),

3) the law dated 26 February 1982 on socio-economic planning (DZIENNIK USTAW, 1987, No. 4, item 26),

4) the law dated 8 October 1982 on trade unions (DZIENNIK USTAW, 1985, No. 54 item 277),

5) the law dated 8 October 1982 on socio-professional organizations of farmers (DZIENNIK USTAW, No. 32, item 217),

6) the law dated 12 July 1984 on territorial planning (DZIENNIK USTAW, No. 35, item 185 and 1986, No. 47, item 226),

7) the law dated 22 May 1986 on the guidelines for the participation by young people in state, economic and cultural activities of the country (DZIENNIK USTAW, No. 21, item 108).

Article 22. The following amendments are made in the Penal Code:

1) the title of chapter XXVI reads: "Crimes Against Elections and the Referendum.";

2) article 189 reads:

"Article 189. Paragraph 1. A person who, by an unlawful threat, deceit or the abuse of the relationship of dependency, obstructs the free exercise of the right of elections to the Sejm or to the people's council, or the performance of another election-related activity, or free participation in a referendum, or the performance of another referendum-related activity, or falsifies the result of voting, is subject to the penalty of imprisonment for between 6 months and 5 years.

Paragraph 2. A person who, by violating provisions on secret balloting in elections to the Sejm or the people's council, contrary to the will of the voter, learns his ballot, is subject to the penalty of imprisonment of up to 2 years, restriction of freedom or a fine."

Article 23. In the law dated 20 July 1983 on the system of people's councils and territorial self-government (DZIENNIK USTAW, No. 41, item 185 and No. 62, item 286, 1984, No. 21, item 100 and No. 31, item 173 and 1986, No. 47, item 227), article 7 reads:

"Article 7. The people's council may resolve to conduct a public consultation or a referendum on issues, and along the guidelines, and in the manner envisaged by the law on public consultations and referendums. Provisions of the present law apply to the fields and issues not regulated by the law on public consultations and referendums."

Article 24. The law takes effect on 1 October 1987.

Chairman of the Council of State: W. Jaruzelski
Secretary of the Council of State: Z. Surowiec

9761

CSO:2600/749

DECREE DELIMITS BODIES TO AUTHORIZE FIREARMS USE

Warsaw DZIENNIK USTAW in Polish No 1, 16 Jan 87 p 8

[Decree of the Minister of Internal Affairs dated 12 December 1986, on designating those government organs authorized to issue permits for firearms, establishing a model form for firearm permits, and defining the main parts of firearms and ammunition]

[Text] Pursuant to article 1, paragraph 4 and article 5, paragraph 3 of the law dated 31 January 1961 on firearms, ammunition and explosives (DZIENNIK USTAW, No. 6, item 43 and 1983, No. 6, item 35) in conjunction with article 5, paragraph 4 of the law dated 14 July 1983 on the office of the minister of internal affairs and the responsibilities of organs reporting to him (DZIENNIK USTAW, No. 38, item 172), the following is ordered:

Article 1.1. The following organs are entitled to issue firearms permits:

1) chiefs of regional offices of internal affairs (or equivalent) -- for air guns or other sporting arms using compressed air and for pistols, revolvers and other weapons for propelling chemical disabling agents or firing signal and alarm ammunition,

2) chiefs of voivodship offices of internal affairs -- for firearms not mentioned in point 1.

2. Permits for air guns and other sporting arms using compressed air may be issued by commanders of stations or posts of the Citizens' Militia authorized by the chief of the proper voivodship office of internal affairs.

3. Permits for hunting guns are issued for a period of 1 to 5 years, and for other firearms--for a period of 1 to 3 years.

Article 2.1. The following are entered in the firearms permits:

1) last name, first name, father's name and the permanent address of the person to whom the permit is issued,

2) data on the firearm: make, series, number, caliber and year made, and in case the series and number are missing--all [other] producer's markings,

3) the term of validity of the permit,

4) name of the organ issuing the permit.

2. Firearms permits issued per bearer (arms certificates) include the data mentioned in paragraph 1, points 2 through 4, as well as the name of the office, institution, plant or enterprise to which the permit is issued and exact address of the installation being guarded.

Article 3.1. The frame, barrel, breech mechanism and breech casing are the main parts of firearms.

2. Fixed and blank rounds for firearms and projectiles of these rounds filled with explosives or chemical disabling agents are the main parts of ammunition.

Article 4. Executive order of the minister of internal affairs dated 23 September 1975 on designating the organs of Citizens' Militia authorized to issue permits for firearms, establishing a model form for firearm permits, and defining the main parts of firearms and ammunition (DZIENNIK USTAW, No. 32, item 173) is hereby invalidated.

Article 5. The decree takes effect on the day of publication.

Minister of Internal Affairs: C. Kiszczak

9761

CSO:2600/749

AMENDMENTS TO LAW ON VOLUNTEER RESERVE MILITIA PUBLISHED

Text of Recent ORMO Law Amendments

Warsaw DZIENNIK USTAW in Polish No 9, 27 Mar 87 pp 101-105

[Law dated 19 March 1987, on changes to the law on the Volunteer Reserve of Citizen's Militia (ORMO)]

[Text] Article 1. The law dated 13 July 1967 on the ORMO (DZIENNIK USTAW, No. 23, item 108, 1974, No. 24, item 142 and 1975, No. 16, item 91) is amended as follows:

1) in article 2, paragraph 1:

a) the words "and also with social organizations" are added following the words "state administration" in point 4,

b) the word "territorial" is replaced by the word "civil," and the words "of the populace" are added following the word "self-defense" in point 5,

2) articles 3 and 4 are amended to read:

"Article 3.1. A Polish citizen of adult age, distinguished by an impeccable civic attitude who promises to properly discharge the responsibilities of an ORMO member, may join the ORMO.

2. An ORMO member discharges his responsibilities as a volunteer, by joining the organization voluntarily.

3. A Polish citizen who has contributed to the development of the ORMO through his activities may become an honorary ORMO member.

4. A legal or physical person supporting the goals of the organization and aiding it financially or otherwise may become a sustaining member of the ORMO.

Article 4.1. The ORMO operates throughout the territory of the People's Republic of Poland.

2. ORMO units are organized in urban townships, cities not divided into townships, villages, and enterprises.

3. Specialized ORMO units consisting of ORMO members with particular qualifications and interests may be organized for operations in particular fields of maintaining public order.

4. Units operating on the territory of a gmina, a combined city and gmina, a city or a township, constitute respectively gmina, city-and-gmina, city and township ORMO organizations.

5. Units organized in enterprises and numbering more than 100 members may be given the rights of an ORMO organization.

6. Gmina, city-and-gmina, city and township ORMO organizations as well as units given the rights of an organization operating on the territory of a voivodship constitute the voivodship organization of the ORMO.";

3) following article 4, articles 4a, 4b and 4c are added which read:

"Article 4a.1. Public supervision of the ORMO activities is carried out by the National Volunteer Committee of the ORMO and voivodship, city, city-and-gmina and gmina volunteer committees of the ORMO.

2. The National Volunteer Committee of the ORMO consists of the ORMO members elected by voivodship ORMO organizations and representatives nominated by the central echelons of the Polish United Workers' Party, the ZSL [United Peasant Party], the SD [Democratic Party], the national organization of trade unions and of youth organizations, as well as the Council of State, the prosecutor general of the People's Republic of Poland and the ministers of internal affairs, national defense, and justice.

3. Voivodship volunteer committees of the ORMO consist of the ORMO members elected by voivodship ORMO organizations from among their membership and representatives nominated by voivodship echelons of the political organizations referred to in paragraph 2, voivodship organizations of trade unions and chapters of youth organizations, as well as voivodship people's councils, chairmen of voivodship courts, voivodship prosecutors, chiefs of voivodship military headquarters and chiefs of voivodship offices of internal affairs.

4. City and township volunteer committees of the ORMO consist of the ORMO members elected from among the membership by city or township ORMO organizations and representatives nominated by city (township) echelons of the political organizations referred to in paragraph 2, the echelons of youth organizations, as well as city (township) people's councils, chairmen of regional courts and regional prosecutors of cities or townships which are the seats of these courts or prosecutor's offices.

5. City-and-gmina and gmina volunteer committees of the ORMO consist of ORMO members elected from among the membership of the city-and-gmina or gmina ORMO organizations.

6. The ORMO volunteer committees referred to in paragraph 1 elect the chairman of the committee and two deputies at the first meeting.

7. The term of the ORMO volunteer committees is 4 years.

8. ORMO volunteer committees must meet at least twice a year.

Article 4b.1. The following are the responsibilities of the National Volunteer Committee of the ORMO:

- 1) to supervise the execution of the statutory tasks of the ORMO,
- 2) to create conditions for regular operations of the ORMO organizations,
- 3) to publicize the operations of the ORMO throughout the country,
- 4) to nominate the chief commandant of the ORMO and his deputies from among the ORMO members serving on the committee, as well as the chief of staff of the ORMO,
- 5) to review periodic reports on the operations of the ORMO submitted by the chief commandant of the ORMO and to evaluate its activities,
- 6) to set guidelines for ORMO operations in cooperation with the minister of internal affairs and the authorities of political and youth organizations,
- 7) to submit to the minister of internal affairs reports and memoranda concerning ORMO operations,
- 8) to petition the minister of internal affairs for nullifying the resolutions of ORMO voivodship committees if they contravene the law or the guidelines for ORMO operations,
- 9) to submit requests for awarding state decorations and honorary badges to ORMO members in a manner specified in other regulations,
- 10) to award the honorary badge "Meritorious ORMO Functionary" at the request of ORMO voivodship volunteer committees,
- 11) to take a stand on draft legal acts concerning ORMO operations,
- 12) to supervise the management of the ORMO finances.

2. The following are the responsibilities of ORMO volunteer voivodship committees:

- 1) to nominate voivodship commandants of the ORMO, their deputies and ORMO chiefs of staff from among the ORMO members serving on these committees, upon consulting the presidium of the relevant voivodship people's council,
- 2) to create conditions for regular operations of the voivodship ORMO organization,

- 3) to publicize ORMO operations and to recruit candidates for ORMO members,
- 4) to review periodic reports on ORMO activities submitted by the relevant ORMO commandant and to evaluate these activities,
- 5) to set guidelines for ORMO operations in cooperation with the relevant organs of people's councils, organs reporting to the minister of internal affairs, as well as the relevant organs of political and youth organizations,
- 6) to submit reports and memoranda on the operations of the voivodship ORMO organization to the chief of the voivodship office of internal affairs,
- 7) to take a stand on draft regulatory acts concerning ORMO operations in areas within the jurisdiction of the ORMO volunteer committee,
- 8) to supervise the management of finances of the voivodship ORMO organization,
- 9) to review recommendations on awarding state decorations and honorary badges to ORMO members,
- 10) to pass resolutions on granting honorary membership of the ORMO,
- 11) to make decisions on accepting sustaining members of the ORMO,
- 12) to grant the rights of an ORMO organization to units numbering more than 100 members.

3. City, township, city-and-gmina and gmina ORMO volunteer committees discharge the responsibilities referred to in paragraph 2, points 2 through 5 and 8, as well as those:

- 1) to nominate city, township, city-and-gmina and gmina ORMO commandants, their deputies and chiefs of staff of the ORMO from among the ORMO members serving on these committees, upon consulting the presidium of the relevant people's council,
- 2) to certify the elections of ORMO unit commandants and their deputies,
- 3) to supervise organizational discipline of the ORMO members,
- 4) to pass resolutions on honoring ORMO members,
- 5) to endorse recommendations on terminating ORMO memberships in the cases referred to in article 20, paragraph 1.

4. Local ORMO volunteer committees cooperate among themselves in carrying out the tasks of ORMO units and organizations.

Article 4c.1. The chief commandant of the ORMO manages its operations and represents the ORMO to the outside. The chief commandant of the ORMO is responsible to the National Volunteer Committee of the ORMO in performing his tasks.

2. Voivodship, city, township, city-and-gmina and gmina ORMO commandants manage the operations of voivodship, city, township, city-and-gmina and gmina ORMO organizations. The ORMO commandants are responsible in performing their tasks to the relevant ORMO volunteer committees.

3. The commandants referred to in paragraphs 1 and 2 discharge their responsibilities with the aid of ORMO headquarters.

4. The operations of ORMO units are managed directly by their commandants elected by members of the ORMO units.

Article 4d. Commandants, their deputies and chiefs of staff of ORMO organizations, as well as ORMO units, are recalled in the manner and along the guidelines established for nominations or elections to these positions.";

4) in article 5, the word "units" is replaced by the words "organizations and units";

5) in article 6:

a) paragraph 1 is amended to read:

"1. In performing their tasks, ORMO members operate independently or together with the members of the Citizens' Militia or representatives of other organs charged with the maintenance of public order; they cooperate with the organs of self-government of urban and rural population, state institutions, units of the socialized economy, cooperative and social organizations.",

b) following paragraph 3, paragraph 3a is added, which reads:

"3a. ORMO members may be confined to barracks along the guidelines set in other regulations, should this become necessary in order to safeguard state security or restore public order.";

6) articles 7 and 8 are amended to read:

"Article 7.1. ORMO volunteer committees or commandants submit reports and memoranda concerning ORMO operations at the request of relevant people's councils.

2. Reports and memoranda submitted to relevant people's councils or their organs by local organs reporting to the minister of internal affairs should contain an evaluation of ORMO activities in the field of maintaining public order.

Article 8.1. The minister of internal affairs supervises ORMO operations and outlines directions for its activities.

2. In the event a resolution of an ORMO volunteer committee contravenes the law or fails to comply with the directions for ORMO activities, the minister of internal affairs may nullify the resolution and, in case glaring irregularities in actions are ascertained, may dissolve the committee in question.

3. The chiefs of voivodship offices of internal affairs enjoy the rights of the minister of internal affairs with regard to city, township, city-and-gmina and gmina ORMO volunteer committees as far as nullifying resolutions is concerned.";

7) in article 10:

a) in paragraph 1:

- point 4 is amended to read:

"4) delivering to a member of the Citizens' Militia or to the nearest office of internal affairs, station or post of the Citizens' Militia a person with regard to whom there is justified suspicion that he has committed a crime or a misdemeanor and the right to resort to direct violence in the form of physical force or the use of individual spray disabling agents within the necessary limits if the person in question resists being run in despite the threat to use violence,"

- point 5 is added which reads:

"5) performing urgent actions aimed at preventing the cover-up or destruction of traces and evidence of a crime or misdemeanor committed",

b) in paragraph 2, point 1 the words "penal-administrative" are replaced by the words "for misdemeanors"; also, the words "in cases specified by an executive order by the minister of internal affairs" are replaced by the words "in cases specified in regulations issued pursuant to the Code of Proceedings in Misdemeanor Cases",

c) paragraph 3 is amended to read:

"3. The minister of internal affairs will outline by an executive order specific conditions and procedures for the exercise of the rights referred to in paragraph 1, points 1 and 2 and 4 and 5 by ORMO members.";

8) in article 11, the words "the Citizens' Militia" are replaced by the word "public", and the word "official" is replaced by the words "public functionary";

9) following article 11, article 12 is added which reads:

"Article 12.1. In order to discharge his responsibilities in the ORMO, a member may be released from work in his profession for not more than 12 days a year.

2. In event the security of state is threatened or public order disrupted, the enterprise is obligated to release an ORMO member from work in his profession for a period of time necessary to discharge the responsibilities entailed by safeguarding state security or restoring public order. Periods of absence for this reason are not included in the periods of leave referred to in paragraph 1.

3. The leave referred to in paragraphs 1 and 2 is granted at the request of the chief of the relevant local office of internal affairs.

4. An ORMO member remains entitled to full remuneration and benefits envisaged by the labor contract for the time of his leave of absence. Entitlements of ORMO members confined to barracks are specified in other regulations.

5. ORMO members who are not employees and who have been drafted for training or exercises lasting at least 8 hours a day receive an equivalent of one-thirtieth of the average monthly wage in the socialized economy in the previous calendar year paid by the relevant office of internal affairs.

6. The provision of paragraph 5 also applies to ORMO members who belong to agricultural producer cooperatives.";

10) Article 17 is amended to read:

"Article 17. An ORMO member who has displayed self-sacrifice and secured positive results in performing the tasks entrusted to him may be honored by a commendation, a monetary or merchandise prize, honorary badge "Meritorious ORMO Functionary," badge "For Merit in Protecting Public Order" or another badge, or recommended for a state decoration.";

11) in article 18:

a) the previous content becomes paragraph 1,

b) paragraph 2 is added which reads:

"2. Disciplinary penalties referred to in paragraph 1, point 1 are imposed by ORMO unit commandants, whereas penalties referred to in points 2 through 4 are imposed by the courts of honor.";

12) in article 19, paragraph 2, point 2 the words "and citizens' honorary rights" are struck out;

13) in article 20, paragraph 2 the words "or a local organ reporting to the minister of internal affairs" are added following the words "commandant of an ORMO unit";

14) in article 21:

a) paragraph 1 is amended to read:

"1. Specific structure of the ORMO, procedures for accepting new members and nominating or electing commandants of ORMO organizations and units, as well as members of volunteer ORMO committees, the composition of the courts of honor, the manner of their nomination and proceedings before them will be determined by the ORMO statute issued by the minister of internal affairs."

b) in paragraph 2, the words "ORMO special badge" are replaced by the words "Meritorious ORMO Functionary";

15) Article 22 is amended to read:

"Article 22. The ministers of internal affairs and defense will set the guidelines for the cooperation of the ORMO with military organs concerning members of the ORMO exercising their rights regarding soldiers on active duty and recruits in basic service in civil defense or in alternative service for draftees, as well as guidelines for exercising the rights referred to in article 10, paragraph 1, point 3 regarding the vehicles of the Armed Forces.";

16) following article 23, article 23a is added which reads:

"Article 23a.1. Organizations and units of the ORMO may possess their own funds accumulated from:

- 1) contributions by sustaining members,
- 2) inheritances and gifts,
- 3) other proceeds.

2. The funds referred to in paragraph 1 may be used exclusively for statutory purposes.

3. Financial and bookkeeping services are rendered by the local organs reporting to the minister of internal affairs".

17) The words "organs of the Citizens' Militia" or "units of the Citizens' Militia" used in the law in various cases are replaced by the words "organs reporting to the minister of internal affairs" used in respective cases.

Article 2. The minister of internal affairs will publish in DZIENNIK USTAW a uniform text of the law dated 13 June 1967 on the ORMO taking into account amendments resulting from the regulations announced before the day of publication of the uniform text, using consecutive numeration of articles, paragraphs and points.

Article 3. The law takes effect on 30 April 1987.

For the Chairman of the Council of State: K. Barcikowski
Secretary of the Council of State: Z. Surowiec

Changes to Original Law Noted

Warsaw DZIENNIK USTAW in Polish No 15, 19 May 87 p 177

[Notice from the Minister of Internal Affairs dated 8 May 1987, on the publication of a final version of the law of 13 June 1967 on the Volunteer Reserve of Citizens' Militia (ORMO)]

[Text] 1. Pursuant to article 2 of the law dated 19 March 1987 on changes to the law on the ORMO (DZIENNIK USTAW No 9, item 54), a uniform text of the law dated 13 June 1967 on the ORMO (DZIENNIK USTAW No 23, item 108) is published in the attachment to the present notice, incorporating changes introduced by:

1) the law dated 26 June 1974--Regulations introducing the Labor Code (DZIENNIK USTAW No 24, item 142);

2) the law dated 28 May 1975 on the two-level administrative division of the state and on changing provisions concerning the people's councils (DZIENNIK USTAW No 16, item 97),

2) the law dated 19 March 1987 on changes to the law on the ORMO (DZIENNIK USTAW No 9, item 54)

and changes resulting from regulations announced prior to the day of publication of the uniform text, using new consecutive numeration of articles, paragraphs and points.

2. The uniform text attached to the present notice does not incorporate the provisions of:

1) articles 24 and 25 of the law dated 13 June 1967 on the ORMO (DZIENNIK USTAW No 23, item 108) which read:

"Article 24. The decree dated 1 March 1946 on the Citizens' Guard in the Regained Lands (DZIENNIK USTAW No 10, item 71) is hereby nullified.

Article 25. The law takes effect on the day of publication.";

2) article XXV of the law dated 26 June 1974--Regulations introducing the Labor Code (DZIENNIK USTAW No 24, item 142) which reads:

"Article XXV. The law takes effect on 1 January 1975.";

3) article 53 of the law dated 28 May 1975 on the two-level administrative division of the state and on changing provisions concerning the people's councils (DZIENNIK USTAW No 16, item 91) which reads:

"Article 53. The law takes effect on 1 June 1975, except for article 34, paragraph 7, article 35, paragraph 5 and articles 36 and 50, which take effect on the day of publication.";

4) article 3 of the law dated 19 March 1987 on changes to the law on the ORMO (DZIENNIK USTAW No 9, item 54) which reads:

"Article 3. The law takes effect on 20 April 1987."

For the Minister of Internal Affairs: W. Pozoga

Attachment to the notice by the
minister of internal affairs
dated 8 May 1987 (item 94)

Final, Amended Version of Law

Warsaw DZIENNIK USTAW in Polish No 15, 19 May 87 pp 177-180

[Law dated 13 June 1967, on the Volunteer Reserve of Citizens' Militia]

[Text] With a view to the maximum possible involvement of the populace in performing tasks related to the enforcement of law and public order, the following is decreed:

Article 1. The Volunteer Reserve of Citizens' Militia, henceforth referred to by the abbreviation ORMO, is a volunteer organization consisting of citizens dedicated to socialism and the People's Poland who stand ready to take part in safeguarding law and public order in an active and organized manner.

Article 2.1. Specifically, the following are the tasks of the ORMO:

- 1) to develop and reinforce the respect of broad masses of the populace for the principles of social coexistence and to promote a proper attitude toward social assets;
- 2) to take part in volunteer work drives and emergency rescue actions, as well as in clean-up following natural disasters;
- 3) to publicize legal provisions concerning the maintenance of public order;
- 4) to cooperate with organs reporting to the minister of internal affairs and other organs of state administration, as well as with social organizations, in protecting public order, public property and property of the citizens;
- 5) to cooperate with organs of civil defense and with social organizations in developing comprehensive self-defense of the populace.

2. In its activities, the ORMO primarily relies on the method of social influence.

Article 3.1. A Polish citizen of adult age, distinguished by an impeccable civic attitude who promises to properly discharge the responsibilities of an ORMO member, may join the ORMO.

2. An ORMO member discharges his responsibilities as a volunteer, by joining the organization voluntarily.

3. A Polish citizen who has contributed to the development of the ORMO through his activities may become an honorary ORMO member.

4. A legal or physical person supporting the goals of the organization and aiding it financially or otherwise may become a sustaining member of the ORMO.

Article 4. 1. The ORMO operates throughout the territory of the People's Republic of Poland.

2. ORMO units are organized in urban townships, cities not divided into townships, villages, and enterprises.

3. Specialized ORMO units consisting of ORMO members with particular qualifications and interests may be organized for operations in particular fields of maintaining public order.

4. Units operating on the territory of a gmina, a combined city and gmina, a city or a township, constitute respectively gmina, city-and-gmina, city and township ORMO organizations.

5. Units organized in enterprises and numbering more than 100 members may be given the rights of an ORMO organization.

6. Gmina, city-and-gmina, city and township ORMO organizations as well as units given the rights of an organization operating on the territory of a voivodship constitute the voivodship organization of the ORMO.

Article 5.1. Public supervision of the ORMO activities is carried out by the National Volunteer Committee of the ORMO and voivodship, city, city-and-gmina and gmina volunteer committees of the ORMO.

2. The National Volunteer Committee of the ORMO consists of the ORMO members elected by voivodship ORMO organizations and representatives nominated by the central echelons of the Polish United Workers' Party, the ZSL [United Peasant Party], the SD [Democratic Party], the national organization of trade unions and of youth organizations, as well as the Council of State, the prosecutor general of the People's Republic of Poland and the ministers of internal affairs, national defense, and justice.

3. Voivodship volunteer committees of the ORMO consist of the ORMO members elected by voivodship ORMO organizations from among their membership and representatives nominated by voivodship echelons of the political organizations referred to in paragraph 2, voivodship organizations of trade unions and chapters of youth organizations, as well as voivodship people's councils, charimen of voivodship courts, voivodship prosecutors, chiefs of voivodship military headquarters and chiefs of voivodship offices of internal affairs.

4. City and township volunteer committees of the ORMO consist of the ORMO members elected from among the membership by city or township ORMO organizations and representatives nominated by city (township) echelons of the political organizations referred to in paragraph 2, the echelons of youth organizations, as well as city (township) people's councils, chairmen of regional courts and regional prosecutors of cities or townships which are the seats of these courts or prosecutor's offices.

5. City-and-gmina and gmina volunteer committees of the ORMO consist of ORMO members elected from among the membership of the city-and-gmina or gmina ORMO organizations.

6. The ORMO volunteer committees referred to in paragraph 1 elect the chairman of the committee and two deputies at the first meeting.

7. The term of the ORMO volunteer committees is 4 years.

8. ORMO volunteer committees must meet at least twice a year.

Article 6.1. The following are the responsibilities of the National Volunteer Committee of the ORMO:

- 1) to supervise the execution of the statutory tasks of the ORMO,
- 2) to create conditions for regular operations of the ORMO organizations,
- 3) to publicize the operations of the ORMO throughout the country,
- 4) to nominate the chief commandant of the ORMO and his deputies from among the ORMO members serving on the committee, as well as the chief of staff of the ORMO,
- 5) to review periodic reports on the operations of the ORMO submitted by the chief commandant of the ORMO and to evaluate its activities,
- 6) to set guidelines for ORMO operations in cooperation with the minister of internal affairs and the authorities of political and youth organizations,
- 7) to submit to the minister of internal affairs reports and memoranda concerning ORMO operations,
- 8) to petition the minister of internal affairs for nullifying the resolutions of ORMO voivodship committees if they contravene the law or the guidelines for ORMO operations,
- 9) to submit requests for awarding state decorations and honorary badges to ORMO members in a manner specified in other regulations,
- 10) to award the honorary badge "Meritorious ORMO Functionary" at the request of ORMO voivodship volunteer committees,
- 11) to take a stand on draft legal acts concerning ORMO operations,

12) to supervise the management of the ORMO finances.

2. The following are the responsibilities of ORMO volunteer voivodship committees:

1) to nominate voivodship commandants of the ORMO, their deputies and ORMO chiefs of staff from among the ORMO members serving on these committees, upon consulting the presidium of the relevant voivodship people's council,

2) to create conditions for regular operations of the voivodship ORMO organization,

3) to publicize ORMO operations and to recruit candidates for ORMO members,

4) to review periodic reports on ORMO activities submitted by the relevant ORMO commandant and to evaluate these activities,

5) to set guidelines for ORMO operations in cooperation with the relevant organs of people's councils, organs reporting to the minister of internal affairs, as well as the relevant organs of political and youth organizations,

6) to submit reports and memoranda on the operations of the voivodship ORMO organization to the chief of the voivodship office of internal affairs,

7) to take a stand on draft regulatory acts concerning ORMO operations in areas within the jurisdiction of the ORMO volunteer committee,

8) to supervise the management of finances of the voivodship ORMO organization,

9) to review recommendations on awarding state decorations and honorary badges to ORMO members,

10) to pass resolutions on granting honorary membership of the ORMO,

11) to make decisions on accepting sustaining members of the ORMO,

12) to grant the rights of an ORMO organization to units numbering more than 100 members.

3. City, township, city-and-gmina and gmina ORMO volunteer committees discharge the responsibilities referred to in paragraph 2, points 2 through 5 and 8, as well as those:

1) to nominate city, township, city-and-gmina and gmina ORMO commandants, their deputies and chiefs of staff of the ORMO from among the ORMO members serving on these committees, upon consulting the presidium of the relevant people's council,

2) to certify the elections of ORMO unit commandants and their deputies,

3) to supervise organizational discipline of the ORMO members,

- 4) to pass resolutions on honoring ORMO members,
- 5) to endorse recommendations on terminating ORMO memberships in the cases referred to in article 20, paragraph 1.

4. Local ORMO volunteer committees cooperate among themselves in carrying out the tasks of ORMO units and organizations.

Article 7.1. The chief commandant of the ORMO manages its operations and represents the ORMO to the outside. The chief commandant of the ORMO is responsible to the National Volunteer Committee of the ORMO in performing his tasks.

2. Voivodship, city, township, city-and-gmina and gmina ORMO commandants manage the operations of voivodship, city, township, city-and-gmina and gmina ORMO organizations. The ORMO commandants are responsible in performing their tasks to the relevant ORMO volunteer committees.

3. The commandants referred to in paragraphs 1 and 2 discharge their responsibilities with the aid of ORMO headquarters.

4. The operations of ORMO units are managed directly by their commandants elected by members of the ORMO units.

Article 8. Commandants, their deputies and chiefs of staff of ORMO organizations, as well as ORMO units, are recalled in the manner and along the guidelines established for nominations or elections to these positions.

Article 9. ORMO organizations and units may possess a flag and use a stamp and an emblem.

Article 10.1. In performing their tasks, ORMO members operate independently or together with the members of the Citizens' Militia or representatives of other organs charged with the maintenance of public order; they cooperate with the organs of self-government of urban and rural population, state institutions, units of the socialized economy, cooperative and social organizations.

2. Members of the ORMO perform tasks in protecting public order under the direction of organs reporting to the minister of internal affairs.

3. Organs reporting to the minister of internal affairs must train ORMO members in preparation for performing the tasks referred to in paragraph 2.

4. ORMO members may be confined to barracks along the guidelines set in other regulations, should this become necessary in order to safeguard state security or restore public order.

5. When on duty, members of the ORMO use the badge or wear the uniform of the organization.

Article 11. ORMO volunteer committees or commandants submit reports and memoranda concerning ORMO operations at the request of relevant people's councils.

2. Reports and memoranda submitted to relevant people's councils or their organs by local organs reporting to the minister of internal affairs should contain an evaluation of ORMO activities in the field of maintaining public order.

Article 12.1. The minister of internal affairs supervises ORMO operations and outlines directions for its activities.

2. In the event a resolution of an ORMO volunteer committee contravenes the law or fails to comply with the directions for ORMO activities, the minister of internal affairs may nullify the resolution and, in case glaring irregularities in actions are ascertained, may dissolve the committee in question.

3. The chiefs of voivodship offices of internal affairs enjoy the rights of the minister of internal affairs with regard to city, township, city-and-gmina and gmina ORMO volunteer committees as far as nullifying resolutions is concerned.

Article 13. An ORMO member must:

1) perform conscientiously the tasks entrusted to him and maintain organizational discipline; in his activities, he should always be guided by the principles of honesty and the rule of law,

2) be an example for his community, especially at work and at the place of residence, through his civic attitude,

3) intervene in case a crime or a misdemeanor against public order or property is discovered, especially when there is a need to restore public order following a disturbance, or when there is a direct threat of a disturbance,

4) give the necessary assistance to citizens, especially in cases of catastrophes and natural disasters.

Article 14.1. In carrying out the tasks entrusted to them, ORMO members have the right:

1) to give instructions with a view to preventing a disruption of public order,

2) to inspect the ID of persons suspected of committing a crime or a misdemeanor, as well as of the witnesses to the crime or misdemeanor,

3) to monitor compliance by the users of roads with regulations on traffic safety and order on public highways,

4) to deliver to a member of the Citizens' Militia or to the nearest office of internal affairs, station or post of the Citizens' Militia a person with regard to whom there is justified suspicion that he has committed a crime or a misdemeanor and the right to resort to direct violence in the form of physical force or the use of individual spray disabling agents within the necessary limits if the person in question resists being run in despite the threat to use violence,

5) to perform urgent actions aimed at preventing the cover-up or destruction of traces and evidence of a crime or misdemeanor committed.

2. Besides, ORMO members have the right to:

1) take part in proceedings before the boards for misdemeanors in the capacity of public prosecutors and appeal the adjudications and rulings of these boards in the matters specified in regulations issued pursuant to the Code for Proceedings in Misdemeanor Cases,

2) petition public courts to consider the cases falling within their jurisdiction.

3. The minister of internal affairs will outline by an executive order specific conditions and procedures for the exercise of the rights referred to in paragraph 1, points 1 and 2 and 4 and 5 by ORMO members.

4. An ORMO member is required to produce his ID at the request of the person with regard to whom the member exercises his rights.

Article 15. While executing the tasks entrusted to him, an ORMO member enjoys legal protection to which public functionaries are entitled. An ORMO member is held responsible for a crime committed while on duty in the same manner as a public functionary.

Article 16.1. In order to discharge his responsibilities in the ORMO, a member may be released from work in his profession for not more than 12 days a year.

2. In event the security of state is threatened or public order disrupted, the enterprise is obligated to release an ORMO member from work in his profession for a period of time necessary to discharge the responsibilities entailed by safeguarding state security or restoring public order. Periods of absence for this reason are not included in the periods of leave referred to in paragraph 1.

3. The leave referred to in paragraphs 1 and 2 is granted at the request of the chief of the relevant local office of internal affairs.

4. An ORMO member remains entitled to full remuneration and benefits envisaged by the labor contract for the time of his leave of absence. Entitlements of ORMO members confined to barracks are specified in other regulations.

5. ORMO members who are not employees and who have been drafted for training or exercises lasting at least 8 hours a day receive an equivalent of one-thirtieth of the average monthly wage in the socialized economy in the previous calendar year paid by the relevant office of internal affairs.

6. The provision of paragraph 5 also applies to ORMO members who belong to agricultural producer cooperatives.

Article 17.1. If an ORMO member performs the tasks entrusted to him outside his locality of residence, he is reimbursed for the cost of commuting by state-operated means of transit and given expenses in the amount and along the guidelines set for the functionaries of the Citizens' Militia.

2. If an ORMO member uses his own means of transportation in performing the tasks entrusted to him, he is entitled to reimbursement for the costs incurred while commuting in the amount and along the guidelines set for state employees using a private vehicle for service trips.

Article 18.1. An ORMO member who has suffered bodily harm or impaired health in conjunction with performing the tasks entrusted to him is given the use of public health facilities and a supply of orthopedic aids, auxiliary means and drugs in the treatment of this condition along the guidelines set for employees.

2. The services referred to in paragraph 1 are rendered by public health care facilities on the basis of a certificate issued by the relevant organ reporting to the minister of internal affairs and confirming that bodily injury was suffered or health was impaired in conjunction with discharging the responsibilities of an ORMO member.

Article 19. Benefits for ORMO members who have been certified as having a certain category of handicap as a result of an accident resulting from their duties in the organization, or their families, as well as for the families of ORMO members whose death was caused by the discharge of their responsibilities, are regulated by provisions on retirement benefits for the functionaries of the Citizens' Militia and their families.

Article 20. ORMO members enjoy priority when being hired to serve in the Citizens' Militia.

Article 21. An ORMO member who has displayed self-sacrifice and secured positive results in performing the tasks entrusted to him may be honored by a commendation, a monetary or merchandise prize, honorary badge "Meritorious ORMO Functionary," badge "For Merit in Protecting Public Order" or another badge, or recommended for a state decoration.

Article 22.1. The following penalties may be imposed on ORMO members who violate organizational discipline:

- 1) notice,
- 2) reprimand,
- 3) reprimand with a warning,
- 4) dismissal from the ORMO.

2. Disciplinary penalties referred to in paragraph 1, point 1 are imposed by ORMO unit commandants, whereas penalties referred to in points 2 through 4 are imposed by the courts of honor.

Article 23.1. A declaration of leaving the ORMO causes the loss of ORMO membership.

2. The ORMO membership is also lost as a result of:

1) a legally valid conviction by a court of law for a premeditated crime prosecuted publicly;

2) a legally valid sentence by a court of law to an additional penalty of loss of public rights.

Article 24.1. An ORMO membership may be revoked as a result of:

1) unjustified failure to report for duty in the organization for 6 months;

2) legally valid court conviction for a crime other than the ones referred to in article 23, paragraph 2, point 1.

2. A decision on revoking an ORMO membership in cases referred to in paragraph 1 is made by an ORMO volunteer committee at the request of the commandant of an ORMO unit or a local organ reporting to the minister of internal affairs.

Article 25.1. Specific structure of the ORMO, procedures for accepting new members and nominating or electing commandants of ORMO organizations and units, as well as members of volunteer ORMO committees, the composition of the courts of honor, the manner of their nomination and proceedings before them will be determined by the ORMO statute issued by the minister of internal affairs.

2. The minister of internal affairs will establish the design of the flag, stamp and emblem of the ORMO, as well as the badge and uniform of the organization, the honorary badge "Meritorious ORMO Functionary," and will set the guidelines for their use or wearing.

Article 26. The ministers of internal affairs and defense will set the guidelines for the cooperation of the ORMO with military organs concerning members of the ORMO exercising their rights regarding soldiers on active duty and recruits in basic service in civil defense or in alternative service for draftees, as well as guidelines for exercising the rights referred to in article 10, paragraph 1, point 3 regarding the vehicles of the Armed Forces.

Article 27.1. Costs of ORMO operations are covered by relevant local organs reporting to the minister of internal affairs, from the budget of the Ministry of Internal Affairs.

2. The ORMO may use financial aid by state organs, institutions and enterprises, based on them making available to the ORMO [office] space, including furnishings and maintenance, and on providing means of communication and, as needed, transportation. The Council of Ministers may specify other forms of aid.

Article 28.1. Organizations and units of the ORMO may possess their own funds accumulated from:

- 1) contributions by sustaining members,
- 2) inheritances and gifts,
- 3) other proceeds.

2. The funds referred to in paragraph 1 may be used exclusively for statutory purposes.

3. Financial and bookkeeping services are rendered by the local organs reporting to the minister of internal affairs.

9761

CS0:2600/750

CHANGES IN INCOME TAX RATES ON PRIESTS PUBLISHED

Warsaw DZIENNIK USTAW in Polish No 2, 30 Jan 87 p 14

[Decree of the Minister of Finance dated 8 January 1987, on changes in the decree concerning taxation of the income of members of the clergy]

[Text] Pursuant to article 9, point 1 and article 18, paragraph 3 of the law dated 19 December 1980 on the tax duty (DZIENNIK USTAW, No. 27, item 111, 1982, No. 45, item 289, 1984, No. 52, item 268 and 1985, No. 12, item 50) and article 7, paragraph 1, point 2 of the law dated 16 December 1972 on the income tax (DZIENNIK USTAW, 1983, No. 43, item 192 and 1985, No. 12, item 51) the following is decreed:

Article 1. Article 2, paragraph 1 of the decree of the minister of finance dated 9 April 1982 on taxation of the income of members of the clergy (DZIENNIK USTAW, No. 12, item 96 and 1985, No. 28, item 120) is amended as follows:

"1. Annual lump sum payments amount to

1) on the income of parish priests:

in parishes with a population of			zlotys	
over	under			
	1,000			2,400
1,000	2,000			4,800
2,000	3,000			7,800
3,000	4,000			10,800
4,000	5,000			12,800
5,000	6,000			15,000
6,000	7,000			16,200
7,000	8,000			18,300
8,000	9,000			19,400
9,000	10,000			20,600
10,000	12,000			22,600
12,000	14,000			24,900

in parishes with a population of				
over	under			zlotys
14,000	16,000			25,800
16,000	18,000			28,000
18,000	20,000			30,300
20,000	30,000			31,800
plus for every 1,000 inhabitants over 20,000				1,200
30,000				43,800

2) on the income of curates:

in parishes with a population of			if the seat of the parish is in	
over	under		over 5,000 but under 50,000	over 50,000
		(zlotys)	(zlotys)	(zlotys)
3,000	5,000	1,960	3,000	3,000
5,000	8,000	3,000	5,860	6,900
8,000	10,000	3,300	6,440	7,500
10,000		5,400	8,540	9,740
		5,560	9,000	10,200"

Article 2. The decree takes effect on the day of publication and applies from the tax year 1987 on.

Minister of Finance: B. Samojlik

9761
CSO:2600/749

FILM LAW PUBLISHED 'TO ASSURE NECESSARY CONDITIONS'

26000763 Warsaw DZIENNIK USTAW in Polish No 22, 28 Jul 87 pp 240-246

[Law dated 16 July, 1987, on cinematography]

[Text] To assure the necessary conditions, consonant with the principles of the socialist system of society of the Polish People's Republic, for the activity and development of cinematography as a part of national culture, the following is hereby ordered:

Chapter 1. General Provisions

Article 1. This Decree regulates activities relating to filmmaking, film distribution, and the dissemination of film culture, and it defines the organization and principles of the financing of cinematography, financial management at film institutions, and the principles for the exercise of filmmaking professions.

Article 2. Cinematography is a term that comprises, filmmaking, film distribution, the operation of motion picture theatres, the dissemination of film culture, the protection, collection, and expansion of the resources of cinema art, access to these resources, scientific and technical research, participation in the training of filmmaking personnel, and the services and commercial activities relating to cinema needs.

Article 3. The terms used in this Decree are defined as follows:

- 1) film -- a series of successive images with or without the accompaniment of sound, perpetuated on some or other carrier that makes possible their multiple reproduction, producing the impression of movement and consisting of an original whole that expresses action (content) in an individual form;
- 2) film production -- creative, technical, organizational, and economic activities resulting in the creation of a film and comprising in particular:
 - a) recording of images and sounds on any carrier;
 - b) processing of carrier;

- c) montage by means of any technique;
- d) duplication on any carrier;
- 3) film processing -- adaptation of film for use in a language other than that in which it had been produced;
- 4) film distribution -- acquisition and transfer of the right to show the film, inclusive of the right to duplicate the film and process it for distribution;
- 5) film dissemination:
 - a) showing the film in cinemas or other public places;
 - b) showing the film on television;
 - c) conduct by the filmmaker of activities relating to cost-accounting as regards sales of copies of the film, duplicated with any equipment or technique, for use by the purchaser;
 - d) leasing copies of the film, duplicated by means of any technique and equipment, for use by the leasee.

Article 4. The provisions of this Decree do not apply to:

- 1) audiovisual recording:
 - a) of performances of verbal, musical, verbal-musical, and stage works;
 - b) of events of political, social, cultural, religious, economic, and sports life;
 - c) prepared for the needs of science, education, technology, advertising, promotion, information, and training;
 - d) prepared for internal use within churches and other religious associations, and having a religious-moral content;
 - e) of events of personal life.
- 2) the duplication or reproduction of films exclusively for personal use.

2. The provisions of this Decree also do not apply to films produced by organizations and departments of the ministries of National Defense and Internal Affairs, or to those commissioned for production by such organizations and departments and intended to accomplish tasks relating to national defense and security or public order, and neither do they apply to films produced or commissioned by organizational units of the penitentiary system under the Minister of Justice and intended to accomplish tasks relating to training and protective or resocializing activities.

Chapter 2. The Committee for Cinematography

Article 5. 1. The Committee for Cinematography, hereinafter referred to as "the Committee," is to be established.

2. The Committee is the central agency for cinematographic affairs under the state administration.

3. The Committee is subject to the Minister of Culture and Arts.

Article 6. 1. The membership of the Committee includes:

1) the Chairman of the Committee for Cinematography, hereinafter referred to as "the Committee Chairman," and the vice chairmen;

2) the members.

2. The membership of the Committee also includes artistic directors of film teams and chairmen of the artistic-program councils of film institutions.

Article 7. 1. The Committee Chairman is appointed and recalled by the Chairman of the Council of Ministers upon the recommendation of the Minister of Culture and Art, and after the National Cultural Council is consulted.

2. Committee vice chairmen are appointed and recalled by the Minister of Culture and Art upon the recommendation of the Committee Chairman.

3. The Committee members referred to in Article 6, Paragraph 1, Point 2, are appointed and recalled by the Minister of Culture and Art upon the recommendation of the Committee Chairman, from among artists and employees of the organizations engaging in the production, distribution, and dissemination of films, representatives of the Committee for Radio and Television "Polish Radio and Television," filmmaking instructors, members of the concerned artistic organizations, and members of political and social organizations and of the worker councils and trade unions active within cinematography.

Article 8. The scope of activities of the Committee includes:

1) assuring universal access of the public to the achievements of Polish and foreign film art;

2) providing the conditions for the development of all kinds and forms of filmmaking creativity;

3) planning the directions of the state's cultural policy on cinematography;

4) determining the principles for the production, processing, distribution, and dissemination of films;

5) determining the principles for the protection, collection, expansion, and accessibility of the resources of film art.

Article 9. The Committee determines the directions of the activities and development of cinematography by, in particular:

- 1) determining, in cooperation with the artist community, the conditions for the exercise and development of film art, and assuring the participation of cinematography in the development of film-related artistic education as well as in the regular and advanced training of personnel for the needs of film and its dissemination;
- 2) determining program guidelines for the production, processing, distribution, and dissemination of films and for the dissemination of film culture in accordance with the state's cultural policy;
- 3) issuing to film institutions guidelines for the production, treatment, distribution, and dissemination of films;
- 4) providing the conditions for the artistic development of young artists;
- 5) determining the directions of the technical and economic activity of cinematography and providing the conditions for maintaining adequate cinematographic facilities and equipment, continually updating them, and developing them on the basis of latest technical solutions;
- 6) determining program and economic preferences for the dissemination of Polish films and especially valuable works of world cinematography;
- 7) determining plans for cooperation with the Committee for Radio and Television "Polish Radio and Television";
- 8) determining forms of disseminating film culture and promoting the development of community film movement and screenwriting;
- 9) documenting, by means of audiovisual recording, the achievements of national culture and public events, and collecting such documentation in the form of collections important to culture, social life, and history;
- 10) determining the organization and ways of protecting, collecting, and expanding the resources of film art as well as ways of making it accessible;
- 11) distributing the resources of the Cinematography Fund and evaluating their utilization;
- 12) analyzing the performance of cinematography;
- 13) determining the forms of cultural cooperation with foreign cinematography;
- 14) initiating scientific and technical research into cinematography.

Article 10. To assure proper conditions for the documentation referred to in Article 9, Point 9, the National Video Library is to be established.

Article 11. 1. The Committee Chairman directs the Committee's activities, represents the Committee, and performs the tasks specified in the Decree.

2. In particular, the Committee Chairman:

- 1) issues decisions on the program for the production, treatment, distribution, and dissemination of films;
- 2) determines the procedure for the production, processing, distribution, and dissemination of films by film institutions;
- 3) coordinates the production, processing, distribution, and dissemination of films, with the exception of the similar activities performed by the Committee for Radio and Television "Polish Radio and Television";
- 4) grants permits for the production, processing, distribution, and dissemination of films insofar as the sales and leasing of film copies are concerned;
- 5) directs the activities of Polish cinematography abroad -- with respect to foreign trade -- in cooperation with the Minister of Foreign Trade.

Article 12. 1. The Committee and its Chairman and vice chairmen perform their tasks with the aid of the Committee Office.

2. The Council of Ministers bestows on the Committee a statute defining the number of the Committee members referred to in Article 6, Paragraph 1, Point 2, its by-laws, the organizational units subject to the Committee or supervised by the Committee, and the organization of the Committee Office.

Article 13. The Minister of Culture and Art shall, upon the recommendation of the Committee Chairman, determine the organization and the scope of activities and operating procedures of the National Video Library.

Chapter 3. Cinematographic Organizations

Article 14. Cinematographic organizations engage in activities relating to film production and trade, dissemination of film culture, protection, collection, and expansion of the resources of film art, scientific and technical research, and film-related services and commerce.

Article 15. 1. The following are cinematographic organizations:

- 1) film institutions;
- 2) state enterprises engaging in the activities referred to in Article 14;
- 3) joint-stock companies formed by the organizations referred to in Points 1 and 2 above.

2. The Committee Chairman oversees the state organizations that are research and development organizations, institutions for the dissemination of culture,

and ministerial centers for regular and advanced training, insofar as such organizations engage entirely in the activities referred to in Article 14 and are identified in the statute referred to in Article 12, Paragraph 2.

Article 16. 1. The parent agency for the cinematographic organizations referred to in Article 15, Paragraph 1, Points 1 and 2, is the Committee Chairman.

2. With respect to the state organizations referred to in Article 15, Paragraph 2, the Committee Chairman is correspondingly their founder or organizer.

Article 17. A film institution is an institution serving to produce, process, distribute, or disseminate films.

Article 18. 1. A film institution is established following an assessment study of need and of the conditions for its establishment.

2. The Committee Chairman appoints the assessment team for the purpose referred to in Paragraph 1 above.

3., The findings of the team referred to in Paragraph 2 above are evaluated by the Committee.

Article 19. The founding act of the film institution specifies its appellation, kind, location, and nature of activities.

Article 20. 1. The film institution operates as a legally, organizationally, and economically-financially autonomous organization.

2. The personnel of the film institution participate in its management in accordance with the provisions governing the personnel of a state enterprise, with allowance for the provisions of Article 25, Article 33, Paragraphs 2 and 3, and Article 29.

Article 21. 1. The film institution operates on the basis of a statute.

2. The statute defines in particular the purposes, tasks, and organizational structure of the film institution and its managing bodies.

3. The statute of the film institution may also provide for the formation of departments and other internal organizational units.

4. The statute provides for a general meeting of employees of the film institution, following the procedure specified by the provisions governing state enterprises, with allowance for Paragraph 5 below.

5. The statute is subject to approval by the Committee Chairman.

6. The provisions of Paragraphs 4 and 5 apply correspondingly to amendments of the statute.

7. The statute of a newly established film institution is conferred by the Committee Chairman.

8. The operating principles and procedure of the film institutions are defined in guidelines established by its director upon consulting the worker council.

Article 22. 1. The film institution may commence activity once it is entered in the Registry of Film Institutions, hereinafter referred to as the Registry.

2. The Registry is kept by the Committee Chairman.

3. Entries in the Registry are made ex officio.

4. The film institution becomes a legal entity once it is entered in the Registry.

5. The Minister of Culture and Art determines, by way of an ordinance, the principles for registration and for keeping the Registry.

Article 23. 1. The bodies of the film institution are:

1) the director;

2) the general meeting of employees and the worker council.

2. The director of the film institution manages and represents the institution.

3. The director of the film institutions takes decisions on his own and bears responsibility for them.

Article 24. 1. The director of the film institution is appointed and recalled by the Committee Chairman upon consulting the Committee, following the rules and procedure specified in the provisions governing state enterprise with respect to the appointment and recall of the director of a public-utility state enterprise.

2. The director of a newly established film institution is appointed by the Committee Chairman upon consulting the Committee.

3. Deputy directors of the film institution and its chief accountant are appointed and recalled by the director of the institution with the consent of the worker council.

Article 25. Film institutions may be merged or broken up following the rules and procedure governing the establishment of film institutions upon consulting the Committee and the worker councils.

Article 26. 1. A film institution may be dissolved following the rules and procedure governing the establishment of film institutions upon consulting the bodies referred to in Article 25, if it is not accomplishing the tasks

specified in its founding act or if the social need for its continued operation ceases to exist.

2. The order to shut down the film institution serves as the basis for deleting it from the Registry.

Article 27. 1. Upon the approval of the parent agency, film institutions may form joint-stock companies by the procedure specified in the provisions of the Commercial Law Code as well as joint-stock companies with foreign participation by the procedure specified in separate provisions, and also associations governed by the law on state enterprises concerning the formation of associations of state enterprises.

2. Associations of film institutions are subject to being entered in the Registry.

Article 28. 1. At film institutions engaging in film production, film teams may operate as internal organizational units.

2. A film team can be established if there exists a group of filmmakers with suitable professional qualifications, as well as of trainees in creative filmmaking professions, who are united by common ideational and artistic goals.

3. The film team is established by the Committee Chairman for a definite period of time upon the request of the filmmakers referred to in Paragraph 2 above, when such request also specifies the names of candidates proposed for the position of artistic director, upon first consulting the director of the film institution, the concerned association of artists, and the political, social, and professional organizations active within the institution.

4. Before establishing the film team, the Committee Chairman also consults the Committee.

5. The artistic director of the film team and his deputy are appointed from among the candidates referred to in Paragraph 3 above and recalled by the Committee Chairman upon consulting the bodies referred to in that Paragraph.

Article 29. The film team operates on the basis of the statute of the film institution within which it is established, with the statute defining in particular:

1) the tasks of the film team and the mode and scope of the team's exercise of its activities as a film producer;

2) the specific scope of activities and the rights and duties of the artistic director and other members of the team.

Article 30. 1. The activities of the film team are subject to periodic evaluation by the Committee.

2. When the Committee's evaluation is negative, the Committee Chairman disbands the film team prior to its scheduled expiration date.

3. The Committee Chairman may also disband the film team prior to its scheduled expiration date if the team's activities violate the provisions of the statute of the film institution.

Article 31. 1. The Committee Chairman monitors and evaluates the activities of the film institution and the performance of its director.

2. The monitoring and evaluation of the activities of the film institution include in particular:

1) their consonance with law and with the principles and objectives of the state's cultural policy;

2) artistic activities, their level and the degree of satisfaction of the cultural needs of the society;

3) financial results.

Article 32. 1. At the film institution within which a film team is created, the artistic director of the film team bears responsibility for the activities of the team referred to in Article 31, Paragraph 2, Point 2, before the Committee and its Chairman, and for the team activities referred to in Article 31, Paragraph 2, Point 3, before the director of the film institution.

2. The Committee Chairman issues to the film institution recommendations for the elimination of shortcomings and defects in its activities.

Article 33. 1. The film institution operates on the basis of a plan consonant with the objectives of the national socioeconomic plan and the state's cultural policy.

2. The plan of activities of the film institution is determined by the director upon consulting the worker council and advisory and consultative bodies.

3. The plan of activities of the film institution is subject to approval by the Committee Chairman.

Article 34. 1. The Committee Chairman may impose on the film institution the obligation of accomplishing additional tasks, in particular:

1) the production of a particular film outside the plan;

2) the distribution or dissemination of a particular film in a specified manner.

2. In the cases referred to in Paragraph 1 above the Committee Chairman provides the institution with the resources needed to perform the additional task imposed.

Article 35. 1. At the film institutions engaging in film production the following bodies operate:

1) the team council -- in the event of the formation of more than one film team;

2) in the remaining cases -- the artistic-program council.

2. The team council and the artistic-program council operate as advisory and consultative bodies of the director of the film institution on matters relating to the institution's artistic activities.

Article 36. The tasks of the team council and the artistic-program council include, in particular, the provision of recommendations on:

1) artistic-program plans and intentions;

2) the allocation of tasks and resources in accordance with program assumptions;

3) programs for development and for the utilization of artistic and production personnel.

Article 37. 1. The membership of the team council includes the artistic directors of teams and one representative of each team elected at a general meeting of the team, as well as delegated representatives of the worker council, political and social organizations, the concerned artistic association, and the trade union operating within the film institution.

2. The activities of the team council are directed by the council chairman, appointed by the Committee Chairman from among the council members.

Article 38. 1. The membership of the artistic-program council includes:

1) representatives of artistic employees elected at their general meeting;

2) delegated representatives of the worker council, political and social organizations, the concerned artistic association, and the trade union operating within the film institution.

2. The activities of the artistic-program council are directed by the council chairman, appointed by the Committee Chairman from among the council members.

Article 39. At the film institutions at which a team council or an artistic-program council operates, artistic and program affairs, especially those specified in Article 36, are excluded from the constituent competencies of the worker council.

Article 40. 1. At the film institutions engaging in the distribution or dissemination of films, repertory councils operate as consultative and advisory bodies of the institution's director.

2. The tasks of the repertory council include, in particular, providing recommendations on:

- 1) repertory plans and intentions;
- 2) scope and modes of dissemination of films.

Article 41. 1. The Committee defines the number and the procedure for the election of members of the team council and the artistic-program council as well as the principles and procedure for their activities.

2. The statute of the film institution defines the composition and size of the membership of the repertory council, the procedure for the appointment of its members, and its operating principles and procedure.

Chapter 4. The Cinematography Fund and Financial Management

Article 42. 1. The Cinematography Fund, hereinafter referred to as the Fund, is established.

2. The Fund derives its income from:

- 1) funds allocated for financing cinematography from the Cultural Development Fund by the Minister of Culture and Art;
- 2) investment-financing subsidies from the State Budget;
- 3) allocations from the profits of cinematographic organizations;
- 4) fees for granting the authorizations referred to in Article 51, Paragraph 2, Article 52, Paragraph 4, and Article 53, Paragraph 4;
- 5) income in Polish currency from exports of films entirely financed from the Fund, after deducting commission fees;
- 6) income from voluntary contributions, donations, and bequests, as well as from foundation grants;
- 7) other income specified by the Council of Ministers.

3. The Fund's income also includes foreign exchange allocations from film sales and for the export services rendered by cinematographic organizations.

4. The Minister of Finance shall, upon the recommendation of the Committee Chairman, define by way of an ordinance the size of the allocation of foreign exchange from the source referred to in Paragraph 3 above.

Article 43. The resources of the Fund are allocated entirely or partially for the:

- 1) production of films by film institutions and as recommended by the Committee Chairman;

- 2) processing, distribution, and dissemination of films;
- 3) tasks referred to in Article 34, Paragraph 1;
- 4) investments by cinematographic organizations;
- 5) repair and modernization;
- 6) other expenditures related to cinematography as well as to the participation of cinematography in the development and promotion of artistic and other film-related training.

Article 44. 1. The resources of the Fund are allocated by the Committee Chairman.

2. The Committee Chairman transmits the resources of the Fund for financing the activities of film institutions after their plans are approved.

3. Such resources of the Fund as are not utilized in the course of a given calendar year are carried over to the next year.

Article 45. 1. The film institution conducts its business operations on the basis of a material-financial plan that defines the breakdown of tasks and resources into different kinds of activity.

2. The film institution conducts its own cost-accounting activities, using its income and subsidies to defray its operating cost and its obligations to the State Budget, the Fund, the banks, suppliers, and employees, as well as its expenditures on development and other needs.

3. The Council of Ministers shall, by way of an ordinance, define the specific rules for financial management at film institutions and the system for clearing their accounts with the State Budget as well as the scope of application of tax provisions and the rules for the remuneration of employees.

Chapter 5. Filmmaking Professions and Employees of Cinematography

Article 46. 1. The exercise of filmmaking professions requires:

- 1) specialized education;
- 2) possession of suitable professional qualifications;
- 3) demonstration of artistic accomplishments.

2. The Minister of Culture and Art shall, in cooperation with the Minister of Labor, Wages, and Social Welfare, upon the recommendation of the Committee Chairman, and after consulting the Committee as well as the Committee for Radio and Television "Polish Radio and Television," the concerned artistic association, and the political, social, and trade-union organizations active within cinematography, define, by way of an ordinance, the filmmaking professions and occupations, specific certification requirements, and the

principles and procedure for verifying the qualifications authorizing the exercise of filmmaking professions and occupations, as well as the appropriate agency dealing with such matters.

Article 47. Film institutions may apply provisions governing the formation of plant remuneration systems.

Article 48. 1. The participation of authors, producers, and other professional groups in the production and processing of films is based on film contracts or commissioned contracts.

2. The film contract and the commissioned contract for the production and processing of a film can also be concluded with employees of a film institution if so dictated by the nature of the work performed.

Article 49. 1. The Council of Ministers shall determine the principles for remunerating authors, producers, and other professional groups for participation in the production and processing of films.

2. Specific rules and rates for remunerating participation in film production and processing as well as for concluding and executing the contracts referred to in Article 48 shall be determined by the Minister of Culture and Art in cooperation with the Minister of Labor, Wages, and Social Welfare, upon consulting the bodies referred to in Article 46, Paragraph 2.

Article 50. The remuneration rates serving as the basis for concluding the contracts referred to in Article 48 are subject to revision commensurately with the rise of the average wage of employees of the socialized sector.

Chapter 6. Production, Processing, Distribution, and Dissemination of Films, Propagation of Film Culture

Article 51. 1. The right to exclusivity in film production and processing belongs to cinematographic organizations and the Committee for Radio and Television "Polish Radio and Television," whose activities, as defined in their founding act, encompass the production or processing of films.

2. The Committee Chairman may authorize organizations other than those mentioned in Paragraph 1 above to produce or process films on terms and during the time interval to be defined in the authorization.

3. The production or processing of amateur films does not require an authorization.

Article 52. 1. The right to exclusivity in film distribution belongs to cinematographic organizations and the Committee for Radio and Television "Polish Radio and Television," whose activities, as specified in their founding act, include film distribution.

2. The right to exclusivity in the distribution of films produced by cinematographic organizations belongs to the Committee for Radio and Television "Polish Radio and Television," if such films are entirely financed by that Committee.

3. Cinematographic organizations are obligated to distribute Polish-produced films assigned for dissemination by the Committee Chairman.

4. The Committee Chairman may authorize organizations other than those mentioned in Paragraph 1 above to handle the distribution on terms and during the time interval to be specified in the authorization.

5. The organizations referred to in Paragraph 1 above and legal entities as well as persons receiving authorization to distribute films may also distribute films abroad if so permitted in the authorization referred to in Paragraph 3 above, upon gaining the consent of the Minister of Foreign Trade on the basis of separate regulations.

Article 53. 1. Only films acquired from the organizations legally empowered or authorized to engage in film distribution may be disseminated on paid-admission basis.

2. The showing of films in motion picture theatres or other public places is governed by separate regulations.

3. The right to exclusivity of the dissemination defined in Article 3, Point 5, c) and d), belongs to the cinematographic organizations and the Committee for Radio and Television "Polish Television," if such activities are envisaged in their founding act.

4. The Committee Chairman may authorize organizations other than those mentioned in Paragraph 3 above to disseminate the films referred to therein, on terms and during the time interval to be specified in the authorization.

Article 54. The Committee Chairman shall revoke the authorization referred to in Article 51, Paragraph 2, Article 52, Paragraph 4, and Article 53, Paragraph 4, if the activities of the organization violate the provisions of this Decree or the terms of the authorization.

Article 55. Cinematographic organizations disseminate film culture by:

1) disseminating films by means of any equipment whatsoever except showing them on television;

2) operating a network of motion picture theatres and other places for showing films;

3) organizing reviews, festivals, days of film culture, symposia, and other similar cultural activities;

4) supporting the activities referred to in Point 3 above by cultural institutions, the public film movement, and sociocultural associations in this country and abroad.

Article 56. The Committee shall define the operating procedures in the cases referred to in Article 51, Paragraph 2, Article 52, Paragraph 4, Article 53, Paragraph 4, and Article 54.

Article 57. The Committee Chairman and the Chairman of the Committee for Radio and Television "Polish Radio and Television" may determine the fees for the right to show the films produced or acquired by the organizations subordinate to them, and the Committee Chairman may also determine the fees for granting the authorizations referred to in Article 51, Paragraph 2, Article 52, Paragraph 4, and Article 53, Paragraph 4.

Chapter 7. Penal Regulations

Article 58. 1. Whoever engages in the

- 1) production or processing of a film;
- 2) distribution or dissemination of a film,

without the authorization referred to in Article 51, Paragraph 2, Article 52, Paragraph 4, and Article 53, Paragraph 4, is subject to the penalty of imprisonment for up to one year and a fine, or to either of these penalties.

2. The court may decree forfeiture of the equipment or other objects which served or were destined for perpetrating the felony defined in Paragraph 1 above, even if these are not the property of the perpetrator.

Chapter 8

Interim and Final Regulations

Article 59. 1. State enterprises engaging in film production or processing or in film distribution and dissemination -- with the exception of the state enterprise "Lodz Film Duplicating Plants" -- become, as of the effective date of this Decree, film institutions as construed by this Decree, and their employees become employees of such institutions.

2. The Association of State Enterprises of Cinematography existing on the effective date of this Decree becomes the Association of Film Institutions, and its employees become employees of the Association of Film Institutions.

3. The film institutions referred to in Paragraph 1 shall determine their statutes and organizational structure so as to adapt them to the provisions of this Decree within 3 months from its effective date. The statutes are subject to confirmation by the Committee Chairman.

4. Research and development units, institutions for the dissemination of culture, and ministerial centers for the regular and advanced training of personnel which on the effective date of this decree engage in activities

referred to in Article 14 are as of that date subject to oversight by the Committee Chairman.

Article 60. The courts which on the effective date of this decree maintain the registry of the film institutions heretofore operating as state enterprises shall transmit that registry and the associated documents to the Committee Chairman within 3 months from the effective date of this Decree.

Article 61. 1. The organizations obligated to obtain the authorization envisaged in Article 51, Paragraph 2, Article 52, Paragraph 4, and Article 53, Paragraph 4, which have been engaging in the production, processing, distribution, or dissemination of films and which intend to continue these activities are obligated to apply within 1 month from the effective date of this Decree for the authorization to continue their activities.

2. In the event the application is not made within the time period specified in Paragraph 1 above, the organizations referred to in that Paragraph are obligated to discontinue their activities within 3 months from the effective date of this Decree.

3. The organizations referred to in Paragraph 1 which make the application but fail to receive the authorization are obligated to discontinue their activities within 3 months from the date of receipt of the notice of refusal to grant the authorization.

Article 62. Until the regulations envisaged in this Decree are issued, the implementing regulations relating to the decree mentioned in Article 63 continue to apply, if they do not conflict with this Decree, for a period of not more than 6 months after the effective date of this Decree.

Article 63. The Decree of 15 December 1951 on Cinematography (DZ. U., No 66, Item 452, 1961; No 10, Item 53, 1961; and No 12, Item 64, 1968) is no longer effective.

Article 64. This Decree is effective as of 1 September 1987.

For the Chairman of the Council of State: K. Barcikowski
Secretary of the Council of State: Z. Surowiec

1386

POOR PERFORMANCE OF MENGAJ MINERAL SALT MINE

Tirana ZERI I POPULLIT in Albanian 7 Jun 87 p 2

[Article by Sotirag Gjordeni: "When Will the Investments That Are Being 'Eaten' by the Salt Mine in Mengaj Return to the Economy?"]

[Text] Thirteen years of work (with several interruptions), but the mine is still not completed. How many years will be necessary in order to finish it?

On 7 February 1985, an article was published in the newspaper, entitled "Investments Without Harvests." The subject was the mineral salt mine in Mengaj, in Kavaje. Let us recall some of the data: the first picks used to open the mine were wielded many years ago (in 1974!). At the beginning, there was energetic work, but with the passage of time, the tempo began to be irregular. For some time, work was interrupted. Since 1983, it has seemed that the situation would change. In the materials that we read in the industrial section of the executive committee of the People's Council of the Durres District, we found the most diverse figures and forecasts. "Work began in 1974 and has been accomplished with interruptions," said one report. "It is expected that work to mine the mineral salt will be completed this year (1983)." "In the 7th five-year plan," says another, "the construction and exploitation of the mineral salt mine in Mengaj, at 60,000 tons per year, has been forecast." "on the basis of the study made for 1984," says another report, "5,000 tons of production have been placed in the plan." This figure changes afterward to 10,000, 30,000 and 40,000 tons.

Nevertheless, the figures and forecasts for the mine remained only on paper, despite the fact that by 1985 it had eaten up millions of leks in investments. Not one planned ton of salt had been extracted. After 11 years, therefore, in 1984 (aside from interruptions), there had only been expenditures both below and above ground. Above ground, there had been construction of social and cultural projects, such as offices, meeting halls, showers, locker rooms, dining halls, etc., which, although they were opened with ceremony, yielded no profit. Salt selection equipment was also constructed, but it has remained an ornament. We were told that three machines are needed to make everything ready for operation. They are: a rotatory machine, a conveyer belt and a crusher. Is that all? All right, we need such "small" items. The mine continues to "eat." How much? Millions. The unfinished mine has frozen the investments which are still not being returned to the economy. We can honestly say that

work during these years has been subordinated to spontaneity. The problem of electrical supply with special lines, as required by the comrades of the mine, has still not been resolved. They are right. Its intermittent interruptions (the existing lines of the zone are inadequate) create confusion in both the tempo of work below ground and the operation of projects above ground.

At the end of 1986, the "plan" called for 5,000 tons of mineral salt. But what plan? Salt extraction by mining operations. Extend the galleries, therefore, and extract salt. But without preparing the fronts that were ready. In fact, 3,200 tons were extracted. This year, the "plan" calls for extraction of 3,000 tons, i.e. less. Until now, June, not one ton has been extracted.

What is the reason? Since August of last year, they have run into clay. Xhemal Aliaj, the director of the bauxite enterprise in Tirana, tells us that geological opinion has still not determined the nature of the stratum. "The geological interpretation," he says, "has not been confirmed. It has been placed under discussion." But who must make an accurate evaluation? This enterprise itself. "We will make tests," they tell us. They are therefore still not clear about the nature of the obstacle. Why have they not acted more energetically since August of last year? Why has there been such procrastination? It is understood that "When 13 years have passed, a little more time is not a catastrophe."

In fact, this mine is spoken about in the enterprise and ministry, but its completion does not need words in the corridors so much as it needs some remembering. There has been a lack of detailed analyses in order to dot the "i's", to determine responsibility, to specify fully the shortcomings, to designate concrete tasks with concrete deadlines for their accomplishment. The mine has remained there on the Mengaj hillside with 52 workers, including watchmen! Out of all the meters of galleries that have been opened until now, only one chamber has been prepared, and therefore only one front is ready, from which not even one ton of salt has been extracted.

But when will the mine be completed? We cannot say with certainty, because even the management comrades of the enterprise do not say. They only show us a few figures: in 1988, 10,000 tons of salt must be extracted; in 1989, 20,000; in 1990, 40,000 tons. This is to be accomplished partly as a result of acceleration and partly as a result of exploitation. Will the quantity specified for 1988, for example, be achieved? The comrades at the ministry are not sure. They say, "We will make tests...if we encounter salt...." "On one level, the work will be completed toward the end of this year or the beginning of next year." "We will check another level...." Is this scientific planning? Can it be said that there are now clear prospects? No. Naturally, some obstacles may arise, but as work has proceeded in this mine, these obstacles, interruptions, discussions, doubts, designations of figures and their corrections, etc. have achieved an official status. If next year is placed in doubt, think what can happen to all the figures for the whole five-year plan! Some of the figures given at the beginning of this article were also planned for 1984 and 1985, but they were not achieved. Was responsibility exacted? No. In order for there not to be a repetition of the same thing, work in this mine must be evaluated with responsibility.

Must we have mineral salt? Undoubtedly. The sodium carbonate factory in Vlore needs it: there is a very good market for the salt of Mengaj. Various economic enterprises need it, as do agricultural installations. There is also a large reserve for export. Durres obtains salt from Vlore. The mine in Mengaj will eliminate the long transport of salt from the south to the northern districts. In the final analysis, the expenditure of millions cannot be justified by such a long extent of time. This is not the tempo of assault, revolutionary, scientific work. This is the "tempo" of an outmoded method that must be uprooted quickly. The Ministry of Industry and Mines must place the unsatisfactory state of the mineral salt mine in Mengaj on its agenda with the utmost seriousness.

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CSO: 21000059

SPECIALISTS URGED TO COMPILE SOFTWARE DEVELOPMENT DATA BASE

East Berlin PRESSE-INFORMATIONEN in German No 60, 26 May 87 p 2

[Article by Karl Nendel, State Secretary in the Ministry for Electrical Engineering and Electronics: "Utilize Software Effectively and Repeatedly"]

[Text] Microelectronics and modern information processing which is developing on its basis as key technologies are directly linked with software. The latter, as a component of flexible information-processing technology, above all determines efficiency and effectiveness of electronic solutions. Software is a product of intellectual-creative work and displays a high degree of improvement. Once developed it can be duplicated, easily interchanged, updated, corrected, and expanded any number of times. The features constitute its value for a high dynamic in the entire reproduction process, especially as regards flexibility of the technology.

Under this aspect GDR combines and plants are prepared to utilize software more and more comprehensively for high economic effects. Two aspects are of importance in this respect. On the one hand, what is important is to consistently strengthen appropriate development capacities and to train to a growing extent software specialists in the educational institutions and on the job, linked with new job content for many working people. On the other hand, it is important to produce and utilize software more effectively. That requires tight organization and coordination to avoid duplication of effort and to uncover reserves. Binding bases of the division of labor were created in 1986, especially with the Order on Planning, Balancing, and Accounting of Software (GESETZBLATT Part I, No. 4, 1986) and the Order on Information and Advisory Services for the Development, Production and Multiple Utilization of Software in the GDR (GESETZBLATT Part I, No. 9, 1986).

Producers of the Technology Provide Basic Programs

The supply of basic software, i.e. of the operating systems, the SOAP programs, service programs, and other application-oriented cross section programs is largely provided by the manufacturers of computer and control technology, who are increasingly making use of cooperation relations with the GDR Academy of Sciences, machine tool building, and the university system.

The VEB Robotron Combine with its information and advisory service, oriented on specialized fields, by which all applications for developmental tasks for basic software must be examined and confirmed, acts hereby as coordinating and balancing organ. It is the concern of this central assessment to ensure a

balanced development of the operating systems depending on the computer category concerned, to apply standardized or internationally customary program languages and to create general software largely independent of the type of computer.

However, user software is developed mainly by the users themselves. In this connection the Central Software Information Bank of the State Data Processing Combine was formed in 1986. Specialists of this facility have the duty to provide concrete information on existing and planned software and to make available information on usable programs for software developers and users, for information and advisory services oriented on specialized fields and the microelectronics advisory and information offices in the bezirks. Accordingly every software developer has the duty to inform the Central Software Information Bank at the time when the formulation of the task is undertaken, to provide the required bibliographic information and performance parameters of the future software product.

Specialists in Many Fields

It is especially important for the development collectives to create software that can be repeatedly reused and thus can be effectively employed. In some fields and combines, in the meantime experts in information and advisory facilities oriented on specialized fields, according to the example of the Robotron Combine, help the developers. They see to it that software useful beyond the combine be planned with the duties record book and made usefully available in high quality to other combines. At this time there are 10 such facilities in combines.

It is now important to uncover additional reserves for the effective use of software by consistent control of the managers in their field of responsibility. That relates, on the one hand, to the broader utilization of the central and provincial information and advisory facilities and, on the other hand, to the possibilities to offer one's own product oneself. What is meant here are such tested forms as software exchanges and supply fairs, e.g., at the Karl Marx Stadt Technical University, use or user teams. The Chamber of Technology should be involved here even more.

It is a requirement for software that can be reused otherwise that it be designed and documented in a form suitable for the user, guarantees and technical maintenance be provided, and last but not least that required adaptation work be performed by the supplier. Such quality goals and the directions of achievement possible for this purpose are to be laid down in the duties record book and in the replacement document by the developers to plan from the start for effective reuse.

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PATENT DOCUMENT DATA BASE PROMOTES COMBINES' R&D EFFORT

East Berlin PRESSE-INFORMATIONEN in German No 64, 4 Jun 87 pp 2-3

[Article by Lothar Janke, vice-president of the Office for Inventions and Patents: "Patent Information Serves Updating of Production"]

[Text] Concentrated employment of the scientific-technical potential is required to achieve results in vital fields which go beyond internationally known information. This demand was raised by Erich Honecker at the conference of the SED Central Committee with the kreis first secretaries. This requires thorough assessment of the international standard in the approaches to new technical developments and to detect its development trends in time. For this purpose all information, from technical literature, reports on fair and market information, must be systematically analyzed.

Patent information is of special importance in this connection. New technical and technological approaches are first published in the patent literature. It is an early indicator of the scientific-technical progress that is taking place. Equipped with this level of knowledge, the setting of tasks, the duties record books, and the fundamental decisions for new products, technologies, processes, and materials must be prepared. Inadequate grappling with the knowledge contained in the patents in final analysis leads to duplication of work, and waste of research and development potential.

Firm component of Research and Development

Numerous combines, enterprises, and research and development facilities approach the updating of production with the required level of knowledge. Just as the timely adjustment of material and supplies deliveries is required for a well functioning production, so is the provision and evaluation according to demand of the latest information from science and technology necessary for a high level of the work in research and development. In this connection it has been a sound practice to lay down and determine in each combine who evaluates the patent literature at what time and to what extent and what base of information is required.

This process must be a firm component of R&D work.

The Office for Inventions and Patents with its services and its work makes all necessary bibliographic, lecture, and full text information on patents available to the combines. This information enables every scientist, engineer, inventor, innovator, and student to exploit the knowledge documented

therein for his own work. Thus patent information services are available to them in the combines for which the Office for Inventions and Patents makes annually available about a million descriptions of inventions and an additional 500,000 abridgments.

Moreover five polytechnical patent libraries are important information centers in the provinces, which possess over 3 million descriptions of inventions and extensive lecture materials. Such polytechnical patent libraries at present exist at the Dresden, Karl Marx Stadt and Magdeburg Technical universities, at the Ilmenau Technical College, and the Wilhelm Pieck University in Rostock. The biggest source of GDR technical literature is the central patent library of the Office of Inventions and Patents. Over 13.5 million patent documents of the most important industrial states comprehensively document the change in science and technology that is taking place.

Data Banks Improve Gaining of Information

To contribute even more effectively to a high level of work in research and technology, this performance spectrum is further developed based on broad application of computer technology.

By making the patent information available in machine-readable form and by the development of patent data banks, the Office for Inventions and Patents takes on this task. In 1987 the data bank "GDR Patent Documents" with the lectures and bibliographic data of the national patent publications is made accessible for public use. Experts work in close cooperation with the USSR on the establishment of additional patent data banks.

With the available modern computer technology, there is a good foundation in the combines for computer-based evaluation of patent information. Under economic aspects it remains to be considered whether the search and storage of the patent information takes place on large computers, small computers or office computer technology or whether the patent information is being incorporated into the data banks of scientific-technical information in the combines.

It is vital to establish all conditions to utilize the large treasure of knowledge contained in the patent literature systematically and purposefully. The results and experiences of combines such as Carl Zeiss, Jena; "Walter Ulbricht" Leuna Works; "Werner Lamberz" Printing Combine, Leipzig and the Leipzig-Grimma Chemical Installation Building Combine show that it pays. The research and development work is approached from a high level of knowledge. The researchers and developers receive suggestions and stimuli for solutions which lead to new ideas and finally to novel processes and technologies protected by patent rights. Such a method of operation opens up efficiency reserves in science and technology and leads beyond standards on known levels of achievement oriented on international standards.

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CLARIFICATION OF COMBINES-SCIENCE ACADEMY COOPERATION

23000360 East Berlin WIRTSCHAFTSRECHT in German Vol 18 No 2, 1987 (signed to press 27 Feb 87) pp 38-42

[Article by Richard Klar, doctor of science, permanent legal adviser of the GDR Academy of Sciences: "On the Further Development of Research Cooperation Between the Combines and the GDR Academy of Sciences"]

[Text] Research cooperation between the combines and the institutions of the GDR Academy of Sciences (AdW) as well as the universities and colleges achieved a new quality with the coming into effect of the research decree(1). On the basis of the plan and with the help of the economic contract a close integration of the research of the Academy and the institutions of higher learning with production has been accomplished. As the high level of contractual commitment makes evident, the commercial contract is largely applied as a means for the achievement of the economic strategy. As a result, there are higher basic requirements on the commercial contracts to be concluded within the framework of research cooperation:

1. The legal provisions are directed at the development of research cooperation between the combines and the AdW as well as the universities and colleges. Thus the fact is taken into account that the combines have been assigned "the economic responsibility for all decisive phases of the reproduction process in their field," that they combine "the decisive capacities in science and technology as well as the quality-determining subcontractor's deliveries"(2) and thus significantly determine the successful implementation of the economic strategy. Based on the above the Decision of 12 September 1985 on Principles for the Shaping of Economic Relations of the Combines of Industry with the Institutions of the Academy of Sciences as well as the higher educational system(3), includes certain standards with respect to the structure of the partnership. It provided that basically the combines act as contract partners of the AdW institutions and of the higher educational system. In agreement with that a partnership adequate for the position of the combines must be assured for these contractual relations in the area of the Academy and of the higher educational system. Therefore coordination contracts are exclusively concluded between the combines and the AdW research areas. Performance contracts are concluded according to the decisions of the directors general of the combines (Article 20, paragraph 2 of the Contract

Law) either by combines or by combine plants; the institutes act as partners of the performance contracts on the part of the Adw.

2. While the link of science and production in the combines is uniformly managed by the directors general, the cooperation process between the various branches and fields must be jointly managed by the partners involved. Thus in these cases the contract is not only the basis for providing the performance but also the basis for assuring the joint management of the research cooperation which must be achieved by coordinated or joint decisions of the partners on all important problems of their relations. As practice has shown, this more or less regular coordination of individual decisions of the partners does not suffice for this purpose. The higher level of management of the cooperation, required as part of the comprehensive intensification, can be attained only if the partners for both sides make equally binding decisions that coincide in terms of contents. The forms of this joint management activity must be contractually arranged.

3. The decision includes the guidance that in the coming period of intensification important innovations are necessary as can be attained only by basic research extending far into the future. The research cooperation between the combines and the AdW and the higher educational system thus relates to research tasks of a strategic character and not to scientific-technical problems of current production or other scientific-technical tasks for which the combines themselves are responsible. Therefore the decision provides that the principal fields of research cooperation are to be stipulated in the coordination contracts to create stable foundations for contractual cooperation on concrete tasks of target-specific basic research and applied research by joint strategies for scientific-technical development. A prerequisite for the development of joint research and development strategies of the partners is sound analytical-prognostic work as well as also concrete conversion of the decisions adopted for the development of scientific-technical progress.

4. The principal concern of the new legal provisions for the development of the research cooperation of the scientific institutions with the combines consists in obtaining top performances in the decisive fields of science and technology, especially in the key technologies, top performances which can be utilized with economically considerably greater yield. Thus the economic contract must be directed towards achievement of objectives which determine the world standard. Therefore it is necessary in the contracts

--to assess and stipulate the level of the planned objectives in a differentiated manner.

--to achieve precise agreement on the quality of the research results to be achieved with the scientific, technical, and economic indicators and parameters to be achieved,

--to determine the extent and level of the inventive results to be produced and the extent of the freedom from legal liability.

5. As is evident from the Decision and the Research Decree, it is the purpose of the research cooperation to ensure a link of science and technology. This results in the task to achieve economic requirements in the replacement process from research by way of development to the production and to sales with the help of the economic contract. This signifies especially an economically oriented Department for Research Tasks and Research Objectives, material-technical safeguarding and intensification of the research process, application of economic categories in the assessment and application of research results, safeguarding of the technological conversion of the research results, their application in production and noneconomic utilization as well as comprehensive utilization of the principle of material interest. In this connection the task of the economic contracts through research cooperation consists in defining economically relevant decisions of the partners, to control economic processes in the basic economic units concerned, and to connect their economic cycles with one another and to bring them in line with the economic requirements of the overall social development. In this respect the decision includes the principle that fulfillment of the contracts must be economically advantageous to both partners. In this connection the legal obligation of the combines to determine the economic benefit from the use of inventions and from the application of other research results (Article 15, paragraph 3 of the Research Decree) is to be pointed out. Concrete contractual agreements must be made in this connection, too.

6. If the decision is directed at multiplying the effectiveness of the intellectual potential with the help of close cooperative integration of science and production, then the role of the intellectual-creative potential of man and of socialist teamwork in the scientific work and research process is thus addressed. The purpose of the economic contracts on research cooperation is to ensure concentrated utilization of the research and development potential of the partners as well as to influence an appropriate organization of the teamwork. It is especially necessary to make concrete agreements on the exchange of cadres, the establishment of collectives for efficient research, development, and application in practice and stimulation of high performances.

7. The importance that science and technology have achieved in the international class struggle, the strategic character of the research tasks whose solution is involved in the framework of the cooperation relations with the combines, the fact that research results by their nature are especially at risk as well as the requirements for legal protection existing for certain research results make indispensable consistent implementation of the protection of secrets in handling the results of scientific work. The tasks resulting therefrom for the cooperation partners are to be carefully complied with in the preparation of the economic contracts and the duties record books.

8. Finally it should be pointed out that according to Article 5, paragraph 2 of the Research Decree, the shaping of the international socialist cooperation in science must take into account the contractual research cooperation between the combines and the Academy and the higher educational system. Assuring the agreement between national and international socialist cooperation is of current importance especially in view of the shifting of the complex program of scientific-technical progress of the CEMA member countries.

According to evaluations of the status of research cooperation with the combines, the economic contracts that have been concluded do not yet meet these requirements. Especially what is frequently lacking are objectives determining the world level, in other words the necessary orientation on top performances. Therefore at the Fourth Session of the Berlin SED Bezirk Management, the demand was raised for clear orientation of the performance contracts of the combines with Berlin's scientific institutions on top performances that can be economically utilized and are marketable.(4) In this connection the task was posed to make a precise assessment of the performance contracts and, if necessary, to have changes made. In general what is involved--according to the law on the 1986-1990 5-year Plan for the Development of the GDR Economy(5)--in the further development of research cooperation to ensure creative scientific-technical achievements of international rank and their broad utilization so that the GDR in close cooperation with the USSR and the other CEMA countries keeps up with the progress of the scientific-technical revolution and the rapid development of the productive forces on international level and that top international positions are attained in crucial fields. The further development of the research cooperation directed towards this endeavor makes it necessary to analyze experiences that have been gathered thus far in the process of shaping these relations. Some of these experiences and the legal questions that have arisen in this connection are to be discussed in detail in the following:

Preparation of Coordination Contracts

As regards the conclusion and the contents of the coordination contracts, the principal concern was to supplement the content framework according to the law with concrete rights and duties of the partners. For this purpose as a rule the contents were divided into eight sections which comprise agreements on

--the main fields of research cooperation with information on the complexes and objectives of tasks, planned for the long term (including the assignment of the partners of corresponding performance contracts);

--measures for the preparation and implementation of joint protective rights strategies corresponding to the joint research strategy;

--development of socialist teamwork and exchange of cadres;

--coordination and development of international socialist science cooperation;

--safeguarding in material-technical and information respects of research and application in practice with stipulations on joint development and joint use of colleges of technology, laboratories, etc., earmarking of apparatus, equipment and materials by the combines and cooperation in the field of data supply;

--coordination of management and planning activity;

--guaranteeing the protection of secrets;

--preparation of the shaping of the contents and the conclusion of the performance contracts with standards for the structuring of the duties record books, the contractual quality agreement, preparation and implementation of justifications, payment and rendering of account, allocation of capital assets for specific purposes, transferring to practice and utilization of the results, inventive activity and protective rights work, financial responsibility, etc. Some of these standards are included in the coordination contracts as "General Contract Terms" of the partners or as "Framework Terms for the Conclusion, Structuring and Fulfillment of Performance Contracts."

Concrete supplementing of this framework was not always successful. In some cases the partners confined themselves to declarations of principle which were connected with a reference to a more detailed support in the performance contracts. This trend has become more pronounced in the measures to be agreed upon in the coordination contracts for the preparation and implementation of joint protective rights strategies, for the development of socialist teamwork and of the exchange of cadres and for the material-technical safeguarding of research and its application in practice.

If no agreements are made on these questions in the coordination contracts, this impairs to a considerable extent the quality of research cooperation and the level of the research results which are achieved in the accomplishment of the tasks. Thus, e.g., the absence of a joint protective rights strategy from which standards for the inventive activity and for the protective rights work can be derived as a rule results in the failure to include the inventive objectives in the performance contracts and duties record books or in a definition that is not sufficiently concrete.

An important task to be achieved within the framework of the coordination contracts consists in making the required stipulations to ensure a joint management of the research and cooperation process. This relates especially to the analytical-prognostic work with duties record books and the protective rights work, the transfer into practice and the use in foreign trade, etc. In this connection it should be noted that orders of the combines as well as regulations of the AdW exist for these and other fields. These regulations are based on the same legal provisions but start out from other conditions of application and therefore exhibit differences in content. If no uniform standards are provided in this respect in the coordination contracts, this may lead to differences and delays in the conclusion of performance contracts.

In the effort to assure as precise a coordination of the content of the performance contracts as possible, framework contracts have been occasionally concluded according to Article 40 of the Contract Law--this in addition to the coordination contracts. However, this resulted in an unnecessary juxtaposition of contractual agreements preparatory to performance. As is well known, the contract law regulation of the coordination contract starts from the assumption that coordination of management, planning, and economic activity and preparation of future performance relations form a uniform process, so that the coordination contracts should also include agreements on the conclusion and the essential contents of performance contract Article 25, paragraph 2 of the Contract Law). The question of whether framework contracts are required to be concluded if coordination contracts have been concluded

accordingly is to be answered basically in the negative; this holds true even more so for the case of concluding coordination contracts according to Article 9 of the Research Decree, since in that case there is a mandatory provision that principles for the preparation and structuring in terms of content of the performance relations must be included in the coordination contracts. Therefore there is no room for the conclusion of framework contracts in addition to coordination contracts according to Article 9 of the Research Decree.

Structuring of Performance Contracts

The organization of the contracts on performances for research and development as a rule took place according to the principles cited in the attachment to the Research Decree. In some cases even contract models were developed which went further into detail to facilitate the work with the contracts for the scientists. The object of these contracts on research and development performances is always the solution of a specific research task with the aim of creating new research results. Thus this does not involve contracts in which the contract-placing parties commit a blanket research capacity with the contractors. The task to be achieved and its scientific, technical, and economic objectives are to be concretely stipulated in each contract. In this connection it is to be noted that according to No. 2 of the Decision and Article 10 of the Research Decree, contracts on research and development performances must always be connected with duties record books. In some cases it was agreed to establish annual objectives or annual workplans in support of the performance contract. But such annual work plans or annual work programs cannot replace the duties record books. If in addition to the duties record books annual work plans are to be established, the contract would at least include an agreement as to who will prepare such work plans and who has to confirm them and how they become a part of the contract. Cases of this nature show that sometimes solid preparation of the research tasks is lacking. Therefore the quality of the preparation of the tasks must be raised. With consistent application of the decree of 11 September 1986 an effective contribution must be made in this respect through the replacement record and the duties record book(6).

Just as important is the precise determination of the quality of the research results. It has to take place by partner agreement according to Article 10, paragraph 2 of the Research Decree and No. 2 of the attachment to it. But since the duties record book is a part of the contract (Article 9, paragraph 1 of the First Implementing Regulation to the Contract Law) the quality stipulations contained therein by law are part of the content of the contract(7), so that in this way a distinction is to be made between the legal (in other words stipulated in the duties record book) and the optional (i.e. agreed to in addition to the duties record book) content of the contract. This should be clearly expressed in the contract.

The quality is to be determined by technical, technological, and economic indicators and parameters, by data on the increase in knowledge to be achieved, and the inventive level to be attained, by the designation of the extent of the freedom from legal liability and other characteristics and requirements. This must take place in a differentiated manner according to

the grouping of the research tasks (chemical research, physical research, etc.). In practice this differentiation is not always observed with sufficient attention. However, general references to the law concerning the stipulations to be made in annual work plans, etc. must not be regarded as adequate.

Furthermore, for quality determination the legal provision is important that the AdW and the higher educational system must make their research results available to the combines in suitable form which is to be agreed to by contract (Article 4, paragraph 2 of the Research Decree). Demands on the quality can also result from the way it is planned to apply the results (Article 45, paragraph 1 of the Contract Law).(8)

Proper determination of the quality of the research result is a prerequisite for the correct application of the legal instrument of the guarantee.(9) In this connection it is frequently stated that with tasks of basic research it is not possible to guarantee also technical achieveability and the economic exploitability of the result as well as the workability and efficiency of the product or process (Article 12, paragraph 1 of the First Implementing Regulation of the Contract Law). Here it is important to keep in mind that the partners, according to Article 12, paragraph 2 of the First Implementing Regulation of the Contract Law, can make different agreements if the specific conditions of the performance require it.

As part of the concluding defense it must be estimated whether the results achieved meet quality requirements. This defense must be made to the contract partner according to Article 15 of the First Implementing Regulation of the Contract Law and Article 14, paragraph 3 of the Decree on the Replacement Record and the duties record book. According to Article 4, paragraph 3 of the Research Decree it is to be performed in bodies well informed on the subject matter whose composition is to be agreed upon by the partners. Exact contractual arrangements are required to apply these legal provisions. In practice it has proved to be advantageous to reach agreements on the way the defense is to be prepared and the responsibility for it, chairing the defense, carrying out the defense in suitable bodies and the composition of these bodies, keeping the record of the defense results and the decisions to be made based on the defense.

Some uncertainties have arisen with regard to the contractual agreements about making allocations of capital assets committed for specific purposes (TGM) available which frequently cannot be released because of inadequate standards in the coordination contracts. Based on the Research Decree, in most cases the following possibilities for obtaining TGM are to be considered and are to be spelled out in the contract:

--The purchaser makes the TGM physically available to the contractor for use. In these cases, the purchaser remains owner of the TGM fund, so that the latter need not be taken into consideration in the cost calculation (point 4 of the cost calculation system). In the concluding defense a decision is to be made whether the contractor has to return the TGM or is permitted to continue using them.

--The purchaser makes available the financial means and balance sheet shares for the procurement of the TGM, so that the contractor can obtain the TGM. In this case the purchaser becomes the owner and the contractor the user of the TGM which, of course, are not included in the cost calculation in this case either. The concluding defense is to decide on return or further use.

--The TGM are obtained by the contractor at his own expense and with his own balance sheet shares. Therefore he becomes, to start with, owner of the TGM fund and the relevant expenses are included in the price calculation. If it is decided in the concluding defense that the TGM remain with the contractor, he has to pay the purchaser for them.

Since the provision of apparatus and equipment is of fundamental importance the effects of stimulation connected therewith should be strengthened. But this is possible only if the combines are prepared to accept more responsibility for the procurement of TGM.

In preparation and conclusion of the performance contracts questions of price agreement and payment initially played a bigger role. This was caused by the fact that the regulations of the Research Decree contained many new elements on financing and price formation. Based on the experiences now available, the following should be especially pointed out: According to Article 19, paragraph 1 of the Research Decree, agreed prices are to be established for all research tasks whose achievement is the subject of contracts on research and development performances. According to the legal price calculation system of Article 18, paragraph 2, these agreed prices are to be calculated for the aggregate performance and contractually agreed to. If no agreement is reached a price application can be submitted.⁽¹⁰⁾ It corresponds to this legal provision if the price in the contract is not fixed and it is merely agreed that the contractor has to transmit the calculation of the agreed price to the purchaser. It is also impermissible to make payment of the agreed price conditional on the occurrence of specific conditions at the industrial cooperation partner (e.g., making additional budget funds available) since, according to Article 2, paragraph 1, of Order No. 2, of 9 December 1985 on the Use of Economic Accountancy in Research and Development⁽¹¹⁾, the combines have to guarantee that they have set aside the financial means required for the creation of the scientific head start, including the means for tasks of contractual research cooperation with institutions of the AdW and the higher educational system in the required amount.

Correct application of the research surcharge is of decisive importance for the stimulation of research. If merely the normative (i.e. the centrally provided) research surcharge is included in the price calculation, no additional criteria are required for its payment. Payment must always be made if the contractually agreed upon performance was made, meeting target date and quality requirements (Article 18, paragraph 2 of the Research decree). However if a research surcharge of up to 100 percent higher than the normative research surcharge is to be stipulated in the price (Article 18, paragraph 7 of the Research Decree), then the assumption is that the contractor is obligated to achieve top-quality results whose parameters are to be stipulated in the contract. If excess fulfillment is attained with such top results, then the increased research surcharge stipulated in the price can be raised

again up to 50 percent of the normative research surcharge. It must be assessed in the concluding defense whether or not such excess fulfillment is present. Thus it is not enough, e.g., to stipulate in the contract that the granting of the research surcharge has to be done on the basis of the Research Decree.

Furthermore it is to be pointed out that the interim accounting for research tasks whose implementation takes longer than a year is a mandatory requirement (Article 19, paragraph 2 of the Research Decree). The reason for that is that the funds required for the financing of the research are only temporarily made available to the academy and the higher educational system until the proceeds are received and therefore must be continuously returned (Article 17, paragraph 2 of the Research Decree). The legally prescribed interim accounting does not necessitate any additional interim reporting nor any special interim defense (cf. Article 8, paragraph 2 in combination with Article 19, paragraph 2 of the Research Decree). Therefore the special demand for interim defense and interim reporting to be carried out for interim accounting is not justified. But if a work stage in the period in question is to be concluded and accounted for in the duties record book, then this forms the basis for interim accounting. This applies similarly in the case that annual work plans exist in support of the duties record book. Here, too, the proof concerning the fulfillment of the annual work plan is also a basis for interim accounting.

As it is important to direct the research of the Academy and of the higher educational system towards top performances, it is also necessary to ensure rapid economic utilization of the results achieved. Therefore the decision and the Research Decree include provisions designed to have the effect of transferring the results of basic and applied research systematically to the development of top-level products and technologies and of applying them in production with great economic results.

However, experience shows that as a rule inadequate arrangements are made in the contracts to assure transfer into practice and exploitation and utilization of the research results otherwise. Therefore it is generally necessary to devote greater attention to this set of problems in wording the performance contracts. At the same time the various possibilities of economic utilization and the special features inherent in the character of the research of the Academy and of the higher educational system are to be taken into consideration. Therefore it is useful to note the following:

--First of all it is important to stipulate in the contract how the further handling of the research results up to the finished production stage is assured. For example, since Academy institutes predominantly have to solve research tasks (and only to a small extent development tasks), no finished-product or process development can be performed by them. Thus the requirement for results which can be applied without further assistance cannot be derived from the obligation of the contractors to guarantee a practicable form of the research results. Therefore the tasks to be solved by the purchaser in connection with the further handling of the results, including the participation of the contractor, must be stipulated in the contract.

--Starting from the duties record book, agreements are to be concluded to assure the transfer into production, in which case it is important to include a binding stipulation concerning the division of labor of the cooperation partners--including the measures required in the field of investments. In this connection it should be pointed out that for such contractual agreements there must be clarity with regard to the utilization goals of the combines which must be determined on the basis of a long-term strategic paper (No. 3 of the Decision). At the same time it must be emphasized that--if there is not enough clarity in this respect at the time the contract is concluded--the possibility exists to define the contract step by step more precisely and finally to make the required stipulations in the concluding defense.

--Also necessary are complete agreements on making research results available for exploitation within the GDR. In this connection the principle of Article 18, paragraph 3 of the First Implementing Regulation of the Contract Law applies according to which, in general, both contract partners are entitled to make such results available. This principle also is the basis of the regulations of the Research Decree (cf. Article 10, paragraph 2, Article 11 and Article 20). The concrete rights and duties of the partners in making the research results available to others must be contractually stipulated, especially the extent of the mutual coordination and the way the compensation for use is divided.

--For foreign trade utilization of the research results the rights and duties of the cooperation partners including the share in the proceeds are to be stipulated in the economic contracts according to Article 16 of the Research Decree. We must differentiate between two sets of facts:

1. For certain immaterial performances the contractor receives a separate export order from the competent foreign trade enterprise, an order which forms the basis for effective export plan fulfillment.

2. If no export order is granted, it is contractually stipulated that immaterial performances of the contractor are recorded and accounted for as direct export.

In practice the first alternative is used as a rule.

(CENTER) FOOTNOTES

1. Decree of 12 December 1985 on Management, Planning, and Financing of Research at the GDR Academy of Sciences and at Universities and Colleges, Especially of the Research Cooperation With the Combines--Research Decree--GB1. (GESETZBLATT I, No. 2, p 12).
2. G. Mittag, "Theoretical Generalization of the Experiences of the Development of the Combines for Increasing the Performance in the Economy, Especially in the Exploitation of the Qualitative Factors of Growth," in: "Increase of Performance of the Combines and Economic Strategy, Papers of the GDR Academy of Sciences, Publications of the Scientific Councils," Berlin 1984. p 18.

3. GB1. I, 1986, No. 2, p 9
4. Cf. H. Albrecht, "Assignment to Berlin Party Organizations: More Intensive Development of Research Cooperation," NEUER WEG, 21/86, p 812.
5. Part II, No. 2 of the 27 November 1986 Law on the 5-year Plan for the Development of the GDR Economy, 1986-1990 (GB1. I, No. 36, p 449).
6. GB1. I, No. 30, p 409.
7. Cf. U. Gerberding/E. Suess, "Quality Designation in the Economic Contract," WIRTSCHAFTSRECHT 3/85, p 61.
8. Cf. U. Gerberding/E. Suess, op. cit.
9. K.-D. Schwenk, "Concerning Some Legal Aspects in the Application of the Research Decree," WIRTSCHAFTSRECHT 4/86, p 87.
10. Article 2, Paragraph 6 of Order No. Pr. 305 of 17 November 1983 Concerning the Pricing Procedure (GB1. I, No. 35, p 371) in the version of Order No. Pr. 305/1 of 20 February 1985 (GB1. I, No. 8, p 91).
11. GB1. I, No. 34, p 389.

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HIGH ENERGY COSTS OF EXPORTS ASSESSED

Warsaw ZARZADZANIE in Polish No 6, Jun 87 pp 6-7

[Article by Stanislaw Albinowski: "Energy and Exports"]

[Text] The effect of foreign trade on the energy intensiveness of our economy has not been researched thoroughly to date. In the literature on this subject available to me, I am aware of only one attempt, the only one thus far, at such an analysis. (1) It concerned 1975 and encompassed barely 15 percent of our foreign trade turnovers, including 27 energy intensive raw materials and semi-finished products, and 5 manufacturing industry products.

In this concept of the problem, foreign turnovers of energy carriers are not considered. However, "all other" energy carriers are of interest. Every imported or exported product contains within it accumulated energy that was required to manufacture, store and transport it. Thus, in this concept, the energy aspect of foreign trade is not visible to the naked eye. Nonetheless, it is just as important as all the other aspects, especially in our situation. We are now experiencing serious energy difficulties. Energy consumption has become a bottleneck and independent variable in the growth of the economy for the foreseeable future.

One should look at the problem from two viewpoints: the balance viewpoint and the effectiveness viewpoint. The balance concept responds to the question: How does the import of non-energy products increase or decrease the supply of energy sources in Poland? The above-mentioned analysis by the PAN [Polish Academy of Sciences] Institute for Basic Problems of Technology concluded that in the area of the mentioned 15 percent of turnovers, the result was unfavorable for Poland. In the products investigated, we exported 1.8 million tons more of conventional fuel than we imported. The investigation sample is too small to extrapolate its results to all turnovers. However, the role of metallurgical industry products turnovers should be emphasized. From the viewpoints discussed here, these turnovers were very advantageous: the energy "surplus" in these imports amounted to nearly 3.7 million tons of conventional fuel! But, after the Katowice mill was placed in operation the situation reversed: in 1977 the import of pig iron was eliminated and the import of rolled goods was limited severely while the export of rolled goods, in the form of products requiring little processing (primarily billets), increased. As a result of these changes, the energy balance for foreign turnovers of

metallurgical products had to deteriorate. This comment is meant to serve as an example. Calculating the energy balance of our foreign turnovers of non-energy products should be done by an institute equipped with a large-memory computer. Can serious work on this be initiated? Can an investigation be conducted now?

The effectiveness concept responds to the question: What is the foreign-exchange profitability of the energy accumulated in the goods we export? My attempt to answer this question can only be of a partial nature. After all, it is based on a comparative analysis of three lists of the largest manufacturing enterprises in Poland:

--The List of 500 (published by this magazine);

--Five Hundred Manufacturing Industry Exporters (HANDEL ZAGRANICZNY, July 1986, this issue appeared in print in mid-January 1987);

--The List of 100. A list of energetistic macroproportions developed by Docent Aleksandr Szplilewicz and published simultaneously in ZYCIE GOSPODARCZE and PRZEGLAD TECHNICZNY on February 23, 1986.

The starting point is the List of 100 enterprises consuming the most energy. From among the 100 enterprises, the 42 enterprises that also appear on the two other lists will be considered. (Note: the List of 100 contains only 77 manufacturing industry enterprises.) Relative to industry as a whole, the following percentage shares apply to the 42 investigated enterprises :

--41.6 percent of energy consumed (in 1984);

--14.6 percent of exports (in 1985);

--11.2 percent of total sales (in 1985).

In attempting to analyze the energy effectiveness of the exports of the mentioned 42 enterprises, I made the following assumptions:

--Energy consumption in 1985 did not differ significantly from energy consumption in 1984. This assumption is inevitable because the List of 100 concerns 1984 and the List of Exporters concerns 1985. At the same time, this assumption is justified when energy consumption is compared for the individual branches of industry for both of the mentioned years. (2)

--The energy intensiveness of total output and export production are equal. This permissible assumption must be accepted. Otherwise an analysis would be impossible.

--Because data for 1985 is lacking on the share of the I payments area and II payments area in the export of specific enterprises, total export was calculated in dollars using the average exchange rate of 147.8 zlotys per dollar.

--The dollar costs of energy used by A. Szpilewicz for his 1984 calculations are also used for 1985.

The tables presented here do not include all the basic data. Only the final results are presented.

Table 1 contains aggregate data concerning, on the one hand, the share of cost of energy in the value of production sold by all Polish industry in terms of zlotys and in comparison with the FRG. On the other hand, the table contains data regarding the 42 investigated enterprises on the dollar share of energy consumed in the value of exports and the unit relation of export profits, in zlotys, to the dollar value of energy expended in producing the exported goods.

Table 1. Share of energy in value of Polish and FRG national industrial production and in the 1985 exports of 42 Polish enterprises

Industry	Cost of energy in percent of gross output in domestic currency		Export of 42 enterprises in 1985	
	Poland 1983	FRG 1982	Foreign Exchange Relation of Energy Input to Export Profit in Export	Export Profit in Zlotys Per Dollar in Energy Input
General	9.7	3.4	n/a	n/a
Chemical	11.3	5.9	55.4	266
Mineral	13.2	10.8	54.9	268
Steel Mills	14.7	13.4	28.0	526
Wood Pulp and Paper	4.1	11.8	22.0	669
Sugar	*	*	12.2	1210
Electrical Equipment	3.3	1.6 ^a	5.1	2862

* - data not available

a - capital goods industry

Data in first two columns calculated on information in GUS 1985 ROCZNIK STATYSTYCZNY PRZEMYSŁU, pp 58-60 and p 116, and STATISTISCHES JAHRBUCH FÜR DIE BRD 1985, p 172.

In Poland, the share of costs of energy in the value of production is on average about three times greater than in the FRG, despite the significantly lower prices of fuel and energy in Poland. This confirms that the energy intensiveness of our industrial production is more than three times higher than that of the FRG. Significant, technically justified differences in these shares among specific industries is obvious in both countries, with the extreme values claimed by the steel industry and the machine tool industry. However, in Poland the energy intensiveness of the production of the machine tool industry is calculated to be only three times lower than in the steel industry, but in the FRG it is over seven times lower, even with similar shares of costs of energy in the metallurgical industries of both countries. Worthy of note is that in Poland the energy intensiveness of the machine tool

and chemical industries is twice as high while the wood pulp and paper industry is over two times lower! The second conclusion one can draw is that, in dollar terms, the share of costs of energy in the foreign-exchange profits for the researched enterprises is on average three times higher than the analogous zloty share in total industrial production. One can conclude that this is the result of two main factors: to a lesser degree, the lower zloty prices of the energy carriers, and to a greater extent, the unfavorable structure and quality level of the exported products, which tend to lower unit foreign exchange profit. For example, for each ton of hot-rolled goods, cold-rolled plates and steel pipe we exported to the capitalist countries in 1985, we earned 2 to 2.4 times less foreign exchange than we paid for imports from these countries. (3) This relation corresponds to the results presented in Table 1: the dollar share of costs of energy in exports for the researched steel mills is over two times higher than the zloty share in the production of the entire metallurgical industry. The analogous multiplier is least in the machine tool industry (1.5 times) and highest in enterprises of the chemical and wood pulp and paper industries (about 5 times!).

These averages mask large differences, which once again confirm that, in striving to maximize exports, energy profitability calculations are not taken into consideration. The greatest divergence and worst results occur in 15 enterprises of the chemical industry. In the exports of two enterprises (the Nitrogen Plants in Pulawy and Wloclawek) the value of energy consumed exceeds by 48 and 35 percent the entire foreign-exchange profits. In the next three enterprises, this share varies from 80 to 100 percent. For the next six enterprises, this share varies from 30 to 80 percent. This share does not exceed 10 percent in only four enterprises, and thus is lower in zloty terms relative to the total production of the chemical industry.

Table 2 shows the percentage of foreign-exchange profitability of the exports of the investigated enterprises from the viewpoint of dollar share of the value of energy consumed in foreign-exchange profit. For a limit of export profitability from the energy point of view, the analogous zloty share in the production of the total branch was accepted in each branch; its multiplicity represents other turning points of the distribution being investigated here.

In using this concept, it turns out that the exports of only 8 of the 39 investigated enterprises are relatively profitable. They represent only 1/5 of the total exports of these enterprises. It should be noted that 17 percent of the exports in which the foreign-exchange share of energy is up to twice as high as the domestic share are also profitable. All in all this would represent only 40 percent of the exports of the enterprises on the energetic List of 100. All the rest are certainly unprofitable. Especially disturbing is the 23.7 percent of exports in which the foreign-exchange share of the cost of energy is over four times higher than the domestic share. As many as 11 enterprises are included in this group, and almost all of the exports of this group (88 percent) are in the investigated enterprises of the chemical industry.

The results presented in Table 2 show the relative energy profitability of exports relative to domestic energy costs. Great difficulties are encountered when attempting to consider the problem in absolute categories. If we assume in the export of our coal to Western markets that the current cost of obtaining one dollar varied during the 1984-1985 period, depending on the foreign-exchange price of coal, from 150 to 190 zlotys, and if we also assume

that average energy costs should not exceed 10 percent of the value of production or export, then, from the energy point of view, the only profitable export is that in which total profit exceeds 1500-1900 zlotys per one dollar of consumed energy. Only the export of the investigated enterprises of the machine tool industry, four enterprises of the chemical industry and one (of 14!) enterprise of the steel industry fulfill this conditions. (4) The total value of the exports of these enterprises is 44.3 billion zlotys, or 21 percent of total exports, which was analyzed here. Thus, despite the varying concept and taking into consideration the differentiated distribution of profitability, the applied relative and absolute criteria lead to an identical result: from the energy point of view, only 1/5 of total exports is profitable, which is realized by enterprises of the manufacturing industry and which, in turn, consume the most energy in Poland.

This result requires no comment. However, the conclusion is obvious: one must analyze as quickly as possible, using a sufficiently large base, the profitability of exports from an energy point of view, and apply the results of the analysis to our export policy. If we continue to export at all costs, our energy problems will only get worse, and available national income will decrease.

FOOTNOTES

1. "Accumulated Energy Intensiveness," a collective work edited by Z. Bibrowski, the PAN Institute for Basic Problems of Technology, State Publishing House for Scholarly Works, 1983.

2. Szpilewicz, A., "Energy Intensiveness Determinants," GOSPODARKA PLANOWA, 1986, No 4-5.

3. Calculations according to 1986 ROCZNIK STATYSTYCZNY HANDLU ZAGRANICZNEGO.

4. The enterprises are: Compact Car Factory; URSUS Enterprise; Lublin Factory; Cegielski Works; Automobile Factory; Gorzow Wielkopolski Chemical Fiber Plant; Blachownia Chemical Plant; Debica and Olsztyn Automobile Tire Plants; and the E. Cedler Metallurgical Plant.

Table 2. Exports of 39 enterprises (from the List of 100) versus share of foreign-exchange costs of energy in export profits for 1985, in percent of total exports in general

Enterprise Belonging to:	(a)	Value of 1985 Exports in Million of Zlotys	I	II		III		IV		V		VI	
				(a)	percent	(a)	percent	(a)	percent	(a)	percent	(a)	percent
Chemical Industry	15	61,942	11.3	4	8.6	0	0	2	9.0	2	11.0	7	71.4
Mineral Industry	3	3,623	13.2	0	0	0	0	0	0	1	33.0	2	67.0
Steel Industry	14	104,414	14.7	3	28.0	5	18.6	4	42.4	2	11.0	0	0
Wood Pulp and Paper Industry	2	3,474	4.1	0	0	0	0	0	0	0	0	2	100.0
Machine Tool Industry	5	37,754	3.3	1	28.6	2	46.1	2	25.3	0	0	0	0
Total	39	211,207		8	21.5	7	17.4	8	28.2	5	9.2	11	23.7

Attention: Because of lack of sufficient data, this table does not take into account three sugar industry enterprises that are included in all three lists.

(a) - Number of Enterprises

I - Average zloty share of energy costs in the value of gross output for individual branches of industry (Polish index).

II - Percent of export having a foreign-exchange share of energy less than index I.

III - Greater than index II, up to 2-times the domestic share.

IV - Greater than index III, up to 3-times the domestic share.

V - Greater than index IV, up to 4-times the domestic share.

VI - More than 4-times the domestic share index.

Percentage shares total 100 only horizontally.

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ERRORS IN CALCULATION OF NATIONAL INCOME VIEWED

Warsaw ZARZADZANIE in Polish No 5, May 87 pp 22-23

[Article by Stanislaw Albinowski: "The Art of Calculating Income"]

[Excerpt] Without delving into the reasons for "irregularities" in enterprise statistics, on which GUS bases its aggregate data, it should be stated that false statistics are a fact, and are not necessarily one-sided. GUS cannot be blamed for this state of affairs, but one should be aware of it when considering the accuracy of statistics in the framework of their aggregates. Of all the economic numbers, national income is the largest aggregate. Many methodological problems emerge here, which, in the end, cannot be explained by the definitions and notes contained in GUS's statistical annuals and special publications. The primary doubts concern the question: What entries are included in net output, which is the substance of national income? In the financial sense, net output is divided into two groups: non-material costs and capital stock formation. In the first group, compensations along with their surcharges and social security are the primary entries. They represent the cost of labor, which constitutes the value added part. Business trip costs (excluding hotel and per-diem costs) are one of the more minor non-material costs. The amount of traveling supply personnel must do to obtain scarce parts or materials depends on how well their supplies are organized. Thus, as the costs of business trips increase, so does national income! From the viewpoint of reality, the justification for such a concept is difficult to defend, but among the legitimate ones it is a rather minor entry having no fundamental effect on the magnitude of national income, either in the statistical sense or, especially, in the dynamic sense.

However, a more serious problem in all respects is subsidies and other budget outlays for enterprises. Let us examine the problem, taking industry as an example, on the basis of data contained in the GUS 1986 ROCZNIK STATYSTYCZNY. The starting point for this analysis is Table 315, page 223, which delineates capital stock formation into three entries: 1) sales taxes, 2) net earnings (that is, profits or losses) and 3) "all other" factors, including itemized subsidies, the foreign trade balance and price compensation differentials. Most of these transfers are budget fundings that represent a flow of funds in the framework of a reiterated allocation of the national income.

When the individual percentage shares of the net production entries, excluding the "all other" entry, are added, the sum exceeds 100. The negative difference represents the transfers described under the "all other" entry, which, for short, will be called "subsidies". What is the economic sense of the described

situation? We will elucidate using a specific example. In 1985 total socialized industry net production (in current prices realized) was 3937.7 billion zlotys. It also is included in the aggregate balance of the national economy: Table 126, page 87 lists 3,936.5 billion zlotys as national income generated by the socialized industry. In this sense the 1.2 billion difference is completely insignificant.

However, the 3,938 billion zlotys represents 117.1 percent of net production generated by industry. The difference of 17.1 percent represents "subsidies" and is equal to 575 billion zlotys. Thus, using the given current realized prices and the given sales taxes, the net earnings, that is, the profits of the industrial enterprises, would be diminished by the above mentioned 575 billion zlotys, that is, profits would be only 673 billion and not 1,248 billion zlotys. The gist of the problem is that these subsidies represent a transfer of a part of the sales taxes that were already included in toto in net production. In other words, producer prices were increased by the differentiated sales taxes, which the government "includes" in the budget. Then the government allocates subsidies to enterprises from this budget, which "adjust" the financial results of an enterprise, that is, its profits.*

The conclusion sounds so shocking that my hypothesis is posed as a question (and not a statement): Is it realistic to increase the national income earned by industry by an amount equal to the production subsidies? Applying this hypothesis to the entire sphere of production would require additional analyses that are especially complicated because portions of the budget subsidies are price related: they lower the prices of the "end user," on which national income is based. One can presume that in this area double counting does not occur. However, in the example of production subsidies and in light of GUS's definitions, there appears to be no doubt.

If the above formulated hypothesis is correct, then its conclusions are equally important and disturbing. However, to formulate them would require additional deliberations and would be premature here. We believe that GUS, with whom our editorial staff cooperates productively in many areas, will judge the hypothesis contained in the above formulated question on its merits. The stakes are high. If the presented hypothesis is correct, then the national income generated in 1985 by the entire economy decreases by 6.3 percent, national income generated by industry decreases by 14.6 percent, and the share of socialized industry in the generation of national income decreases from 46.2 percent to 42 percent.

* In terms of specific branches of industry, the percentage share of sales taxes and subsidies in net production is, obviously, different. A more accurate analysis of this problem is not possible here. In general it can be said that the raw materials and fabricating materials industries receive greater subsidies from the budget than they contribute in sales taxes. However, the situation is inverted for the finished goods industries. To put it more simply, this means that within a given price system, the manufacturing industries "contribute" some of their income to support the raw materials and fabricating materials industries, especially the mining industry.

NEED TO IMPROVE FOOD SUPPLY SYSTEM

Bucharest COMERTUL MODERN in Romanian No 3, May-June 1987 pp 1-4

[Article by Dr Aurel Vainer and Ana-Lucia Ristea]

[Text] In fulfilling the goals of Romanian Communist Party policy to continually increase the people's well being, the public food service has an important role, bearing in mind its social and economic functions.

Under conditions of increasing and diversifying agricultural food production and continually raising monetary incomes and of the appearance of quality changes in the population's eating habits, as well as affected by extended tourism, public food supply in the Socialist Republic of Romania in the years of socialism has recorded broad development and modernization, at the same time utilizing the traditions of Romanian cooking correlated with new demands.

Using the graphic language of statistical data we show that the volume of sales of goods through the public food supply system increased nearly 22 times in 1985 compared with 1950 and more than 3.6 times compared with 1965. The public food supply network rose from 8,600 units in 1960 to 20,600 units in 1985, while the number of worker personnel rose from 33,100 in 1950 to nearly 175,200 in 1985.

Under these conditions the ratio between Romania's population and the number of worker personnel in public food supply improved: 493 residents per worker in 1950, 239 residents in 1965 and 130 residents in 1985. At the same time, quality reorganizations within the public food supply network took place, particularly extending the predominantly eating units, the Gospodina units for prepared and semiprepared foods, pastry shops and coffee shops, express-type units, cafeterias, restaurant-cafeterias and other units located on industrial platforms, in big enterprises, schools and so forth.

Special concern always has been shown with raising the level of technical supply of the public food supply units and production laboratories by assimilating in the country's manufacturing food preparations, maintaining the nutritional qualities of the foods used in production in a higher proportion (pressure cookers, heat-regulated ovens, multifunctional robots and so forth). In this way a reduction has been sought in preparation time and energy and fuel consumption as well as increase in labor productivity and profitability. For example, continuous technological flows have been organized to avoid losses of vitamin and

minerals, eliminating standing time in the primary processing of raw materials.

As a result of its emphatic rise, there has continued to be a significant rise in the proportion of public food supply calculated compared with total sales of goods through socialist trade, that is, from 11.2 percent in 1950 to 15.9 percent in 1965 and 18.8 percent in 1985.

These results prove the large rise in degree of participation of public food supply in satisfying the population's consumer requirements and its contribution to superior utilization and efficiency of agricultural food resources and to easing household effort in preparing food and providing better conditions for using free time.

A reference point with many implications in the food supply system activity is the 1983 adoption of the Program for Scientific Food Supply of the Population by the Grand National Assembly of the Socialist Republic of Romania, a true guide for action and means of effective work for each citizen and all those involved in the food consumption area. We have in mind the present and the future, a long-range view and, in time, its generalization at the level of the entire country.

In order to achieve this goal, the program places the physiological requirements at the basis of satisfying consumption needs as determined on scientific bases and correlated with the possibilities of the economy. We are seeking to provide a balanced food supply for the country as a whole and territorially, according to different categories of population both with regard to calories and well as the component nutritional substances.

At the same time, priority in the program adopted is given to promoting those agricultural food products in production and consumption which especially favor the modernization of consumption and improvement in its structure in accordance with the evolution of the working and living conditions of society members.

Correctly the program for scientific food supply of the population establishes the following as priority goals for the gradual improvement in the structure of the food supply system: increasing the percentage of vegetables and fruits (with a high content of vitamins and mineral elements) as well as animal protein, together with reducing participation of grain derivatives, fats, sugar and sugar products in consumption.

The innovative, original nature of the program results from the fact that it is an integrating scientific concept and, at the same time, an effective materialization of this concept; it includes recommendations for citizen consumer, but also directions of action for producers, for trade, public food supply system, scientific research, health units and education and educational units.

Given the important social role of the public food supply system, this program orients its activity toward the following:

Providing food supply for the working place under better and better conditions, with corresponding development of the network of cafeterias, mini-cafeterias and snack bars;

Extending daily serving of warm meals for preschoolers, school children and students;

Improving the manufacturing networks for existing food preparations and working out new networks, respecting the requirements for scientific food supply, promoting intensification of the consumption of fish, vegetables and fruits, pasta, milk products and eggs;

Establishing menus differentiated by types of units and categories of population, in relationship to age and physical effort as well as according to the season;

Promoting food preparations from Romanian cooking, specific to the various zones of the country, in the organization of the supply in the public food supply units;

Using various and efficient means for informing consumers about the nutritional structure of the food preparations sold.

With a view to modernizing and improving the quality of the population's food consumption, at the 3d congress of people's councils in September 1985, Comrade Nicolae Ceausescu, the party's secretary general, stressed: "We must intensify and develop a true culinary industry of food productions which are to be sold to the population." In full agreement with this guideline and the basic task, the Program for Development of Production of Food Preparations for the 1986-1990 Period was adopted.

It specifies that by 1990 nearly 57 percent of the urban population of Romania and of the worker centers should enjoy a complete meal daily as served in cafeterias, restaurants or at home.

To a great extent the public food supply system is oriented toward utilizing traditional Romanian cooking, with constant concern for finding the most appropriate answers to the basic problem of the biological-medical relationships between man and foods, that is, achieving a balance (quantitative and structural) between what the organism metabolizes or loses in various physiological or pathological stages and what it receives with food from the outside.

In the context, we feel it is proper in this regard to quote Prof Dr Iancu Gontea, who stresses that "by knowing and applying the science of food supply we can establish rules and tolerable limits for the divergencies between pleasure and need, that is, between the attractive and nutritional value of a product or of a diet, which, by being included in the scientific and verbal vocabulary which guides man's practical life, one may enjoy without risk."

Romanian cooking which also combines the element of an art as well as of a technique regarding the method of preparing the food--gastronomy and gastrotechnology--is widely enjoyed due both to the variety of the foods offered as well as their refined and pleasant taste.

As a synthesis of various regional cooking (Muntenia, Moldavia, Oltenia, Banat, Transylvania, Dobrogea) with old traditions preserved from long ago, Romanian cooking, as a unified and diverse whole at the same time, by following a natural process of historical evolution basically is noted by its particular flexibility, the great variety of products, ingeniousness and not extravagant use of spices.

One also may note the contribution made and being made by Romanian gastronomy through its prestigious preparations to enriching world gastronomy.

Determinations of new recipes and manufacturing techniques on the basis of laboratory experiments have been made with the purpose of achieving as best as possible the promoting of scientific food supply to bigger and bigger categories of the population by using to the greatest possible extent the traditions of Romanian gastronomy.

In this framework networks were established by categories of population and groups of food preparations. Products for children between 1-3, 4-6, pupils, adolescents, adults have been worked out, according to sex, physical status, by specific types of activity, the intensity of physical effort put forth, customs and traditions of eating by geographic zones and so forth.

Food preparations for each category of the population have been indicated according to the following groups: cold and hot appetizers, warm liquid preparations (soups, creamed and sour soups), meals, trimmings, salads, desserts, coffee shop and pastry shop products, ice cream, cold drinks and warm nonalcoholic drinks.

The content of the recipes has provided for balanced structure and sensible participation of nutritional substance which allow recovery of man's expenditures of energy while working and allow health maintenance. So protein represents 13-16 percent of total calories, with the highest percentages being provided for children and adolescents, with the main spot for animal protein (30 percent for adults, 60 percent for adolescents and more than 85 percent for children). Lipids represents 25-35 percent, depending on age. Glucides represent 50-60 percent in total number of calories.

These proportions are elements for the complete menus for one day which, combined by swallowing food preparations by each individual separately total the number of calories needed for the organism to recover.

These are included in the food guide placed at the disposal of the factors involved in food production organized at the level of light and public food service industry.

Being a long-lasting process, achievements of the goals for promoting the scientific food supply of the population and of properly adapting Romanian gastronomy to the multiple new requirements resulting from changes in working and living conditions of modern man involve thinking and taking action over a long period of time, with the future being built starting with the present.

In this framework, a priority direction of action is the intensive use of existing capacities to carry out the production of food preparations which is continually growing and diversifying, one which is capable of providing 35-40 varieties for sale each day, repeating every 7-10 days, included on a list of around 330 preparations set by groups of the population, in accordance with the requirements for a rational food supply system.

A primary concern will continue to be the broad promotion of preparations based on fish, vegetables, potatoes, eggs, pasta, together with increasing the concern with increasing quality and presenting them as attractively as possible.

The following will be produced and delivered in order to raise the quality of products, increase labor productivity and economic efficiency and provide a higher degree of the consumers' accessibility to the services of the food supply system, in accordance with the program to modernize commercial activity by 1990:

Mixtures of vegetables and potatoes, semi-prepared foods from vegetables, potatoes, fish and meat with a high degree of heat processed and prefrozen;

Vegetables and potatoes in proper packing of various sizes and "ready-to-use" (cleaned, washed and cut in various shapes);

Semiprepared foods for pastry and coffee shops with proper packaging and in various portions (cake layers, pastriesheets, fillings and cremes);

Sauces for food preparations, concentrated fruit and plant syrups delivered sterilized.

There is particular importance in continuing to adopt measures for improving the structure of the network of units in order to have development and continued modernization of the public food supply system in accordance with the changes which are to occur at the level of supply, the population's consumption and buying behavior as well as introducing and extending advanced commercial techniques with direct effects on raising economic and social efficiency in this important sector of socialist trade. Thus, the following are to be kept in mind as the main directions of action:

Increasing the number of fast-service units (restaurants-cafeterias, express stands, units within the enterprises and institutions) which offer a standard limited variety of foods prepared by industrial or semi-industrial procedures;

Creating a dense, differentiated network of small public food supply units, characterized by a narrow specialization, a limited number of foods and minimal space. These units should develop in centers and commercial streets, in recreation areas and tourist areas;

Continuing to increase the number of specialized public food supply units (for example, meals of fish, poultry, meals of the national cuisine or from various regions of the country);

Increasing the number of places at the tables in the coffee shops, grills, tea shops, beer spots and so forth;

Creating public food supply complexes with a joint production and warehouse base (for example: a restaurant and a bar; a coffee shop and a pastry shop);

Centralizing the production of semi-prepared foods and finished products in modern production-warehouse sections or in big public food supply units which would supply the small units nearby;

Modernizing the existing public food supply units and adapting them better to the requirements of local consumption;

Providing an integration of retail trade activity and public food supply activity, either through organization in the food or non-food stores of certain public food supply points or through creating take-out regions to take preparations and semi-prepared foods home;

Promoting the use of public food supply units for multiple purposes;

Increasing the degree of personalization, improving the interior appearance and exterior appearance of the public food supply units;

Establishing the most adequate solutions for moving, preserving, storing and producing various food preparations;

Providing the necessary agreement between personnel in the production activity, serving activity and consumers on one hand as well as between the commercial equipment utilized and specific types of raw materials subject to food processing on the other;

Diversifying the methods for using free time in the public food supply units, giving special attention to the units in the tourist zones, spas, university centers and so forth);

Providing a diversified range of services such as preparation of food products for festive dinners organized at the consumers' homes, having personnel of the public food supply units serve some meals at the home (including the necessary silverware); consultations for applying general rules for scientific eating.

Achieving all these directions of action, at the same time, involves creating a type of public food supply unit which mainly answers two basic objectives; they are increasing the role and contribution of this sector of activity to promoting scientific eating among the population and using human, material and financial resources placed at our disposal by our socialist state at high parameters of quality and efficiency. In this context it is necessary to substantiate the sizes and types of public food supply units, taking into account the demands for precise achievements of the indicators for labor productivity, efficiency of utilizing fixed capital, profitability, standards for circulating capital.

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